



finalyse

REGULATORY BRIEF
JANUARY 2025





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: 1 October 2024 - 31 December 2024

Contents

Abbreviations		pp. 4-5
Institutional Framework		p. 6
Regulatory Calendar		p. 7
Explanatory Note & Legend		p. 8
Trending Topics		p. 9
Recent Articles		p. 11
BANKING	Banking Regulatory Timeline	pp. 14-19
	Supervision	p. 20
	Risk Management	pp. 21-23
	Recovery & Resolution	p. 24
	Reporting & Disclosure	p. 24
	Market Environment	p. 25
	Data Management	p. 26
	Climate Risk	p. 26
INSURANCE	Insurance Regulatory Timeline	pp. 30-31
	Supervision	pp. 32-33
	Climate Risk	p. 33
	Risk Management	pp. 34-35
	Market Environment	p. 36
ASSET MANAGEMENT	Asset Management Regulatory Timeline	p. 40
	Supervision	p. 41
	Risk Management	p. 41
CROSS-SECTOR	Cross-Sector Regulatory Timeline	p. 44
	Supervision	pp. 46-48
	Reporting & Disclosure	p. 49
	Climate Risk	pp. 50-51
	Market Environment	p. 52
	Risk Management	p. 52
	Data Management	p. 52
CONTACT	Finalyse Partners	p. 54
	Finalyse Offices	p. 55

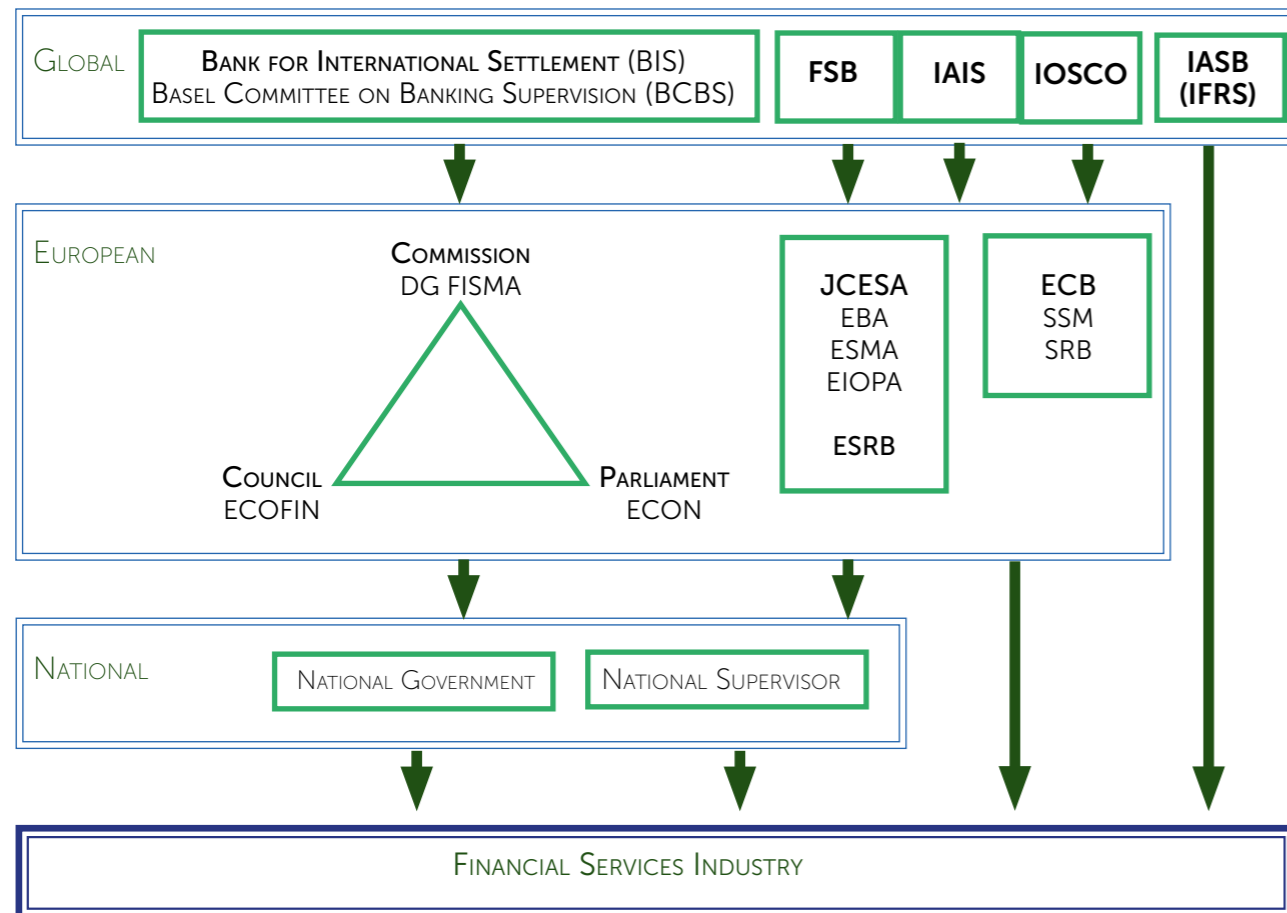
Abbreviations

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

Abbreviations

IBIP	Insurance-Based Investment Product	NCA	National Competent Authority
ICAAP	Internal Capital Adequacy Assessment-Process	NPL	Non-Performing Loan
IDD	Insurance Distribution Directive	NSFR	Net Stable Funding Ratio
IFRS	International Financial Reporting Standards	OSII	Other Systemically Important Institution
ILAAP	Internal Liquidity Adequacy Assessment Process	PAD	Payment Accounts Directive
IORP	Institutions for Occupational Retirement Provision (Directive)	Parl	European Parliament
IOSCO	International Organisation of Securities Commissions	PD	Probability of Default
IRB	Internal Rating Based Approach	PRIIPs	Packaged Retail and Insurance-Based Investment Products (Regulation)
IRRBB	Interest Rate Risk in the Banking Book	PSD	Payment Services Directive
ITS	Implementing Technical Standards	REFIT	Regulatory Fitness & Performance Programme
JCESA	Joint Committee of European Supervisory Authorities	RTS	Regulatory Technical Standards
KID	Key Information Document	RWA	Risk-Weighted Asset
LCR	Liquidity Coverage Ratio	SFT(R)	Securities Financing Transaction (Regulation)
LEI	Legal Entity Identifier	SI	Systematic Internaliser
LGD	Loss Given Default	SMA	Standardized Measurement Approach
LR	Leverage Ratio	SREP	Supervisory Review & Evaluation Process
LSI	Less Significant Institution	SRM	Single Resolution Mechanism
MCD	Mortgage Credit Directive	SSM	Single Supervisory Mechanism
MiFID	Markets in Financial Instruments Directive	STC	Simple, Transparent & Comparable (Securitisation)
MiFIR	Markets in Financial Instruments Regulation	TLAC	Total-Loss Absorbing Capacity
MMF	Money Market Fund	TR	Trade Repository
MS	Member States	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 Q1

CRR
Regulation
Most of CRR 3 provisions are intended to come into force
Application date: 1 Jan 2025

Basel
Standards
Prudential treatment of banks' exposures to cryptoassets
Application date: 1 Jan 2025

CRD
Guidelines
On output floor and impact on the SREP
Application date: 1 Jan 2025

ITS
ITS on joint decision process for internal model applications
Document Release: tbd

Guidelines
GL to specify proportionate diversification methods for retail exposures
Document Release: tbd

2025 Q3

Stress Test
Results
EBA publication of the 2025 EU-wide stress test results
Document Release: July 2025

CRR
ITS
On joint decision process for internal model applications
Document Release: tbd

RTS
On criteria that institutions shall use to assign off-balance-sheet items, constraining factors for UCC and notification process
Document Release: tbd

Guidelines
To specify proportionate diversification methods for retail definition
Document Release: tbd

SFDR
Report
Joint ESAs report under article 18 of the SFDR for voluntary reporting standards
Document release: tbd

IORP
Opinion
On the liquidity risk management of IORPs
Document release: tbd

Insurance Supervision
Report
Annual Insurance Sector overview report
Document release: tbd

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

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

Climate Risk

EIOPA (Consultation Paper)

Prudential treatment of Sustainability Risks

The EIOPA has initiated a consultation on the prudential treatment of sustainability risks, marking the second phase of its approach under the Solvency II Directive. This directive mandates EIOPA to evaluate whether a specialized prudential treatment for assets or activities linked to environmental or social objectives is justified. The consultation aims to assess the potential for dedicated prudential treatment in response to risks associated with environmental and social factors.

Release date: 2023-12-13

Consultation End: 2024-03-24

[eiopa.europa.eu](https://www.eiopa.europa.eu)



Trending Topics

1. BANKING PACKAGE - CRR3/CRD 6



The banking institutions are getting ready for the implementation of CRR 3 and CRD VI, which were adopted and published on 31st May 2024. The updated banking package is set to come into force in 2025 with a few exceptions.

In particular, the rules for calculating banks own funds requirements for market risk will only take effect from January 2026, aligning with timelines in jurisdictions such as the US and the UK. Until then, the current market risk provisions under CRR 2 will remain applicable.

The publication of the finalised texts provides banks with much-needed clarity on the regulatory framework, enabling them to proceed with implementation. At the same time, certain aspects remain subject to further specification through technical standards, which will address unresolved details and enhance practical guidance. While the timeline remains challenging—particularly in areas such as reporting—the finalised framework and forthcoming technical standards together establish a robust foundation for compliance ahead of the 2025 and 2026 deadlines.

2. SUSTAINABILITY AND CLIMATE RISK



The regulatory landscape for climate risk management has evolved rapidly, with major frameworks like the Corporate Sustainability Reporting Directive (CSRD), updated European Banking Authority (EBA) Pillar 3 requirements, and ECB guidelines shaping the future of risk management for financial institutions. These measures underscore the recognition of climate risk as a core financial stability issue, requiring immediate and robust action.

Effective in 2024, the CSRD mandates broader sustainability disclosures, requiring banks to report on climate-related risks across their value chains. This aligns with the EU Taxonomy and incorporates stringent ESG criteria.

The ECB has strengthened its supervisory expectations, requiring alignment with enhanced Pillar 3, including stress testing, scenario analysis, and climate risk integration into governance, ICAAP, ILAAP and risk frameworks. Similarly, the EBA emphasizes ESG risk integration and materiality assessments aligned with EU Taxonomy standards.

With 2025 fast approaching, institutions must accelerate efforts to meet these regulatory demands and fortify resilience amid growing environmental and regulatory pressures.

3. ECB GUIDE ON RISK DATA AGGREGATION AND RISK REPORTING



In 2016 ECB launched a thematic review on effective Risk Data Aggregation and Risk Reporting (RDARR). The results of the assessment showed the sample of institutions had not followed fully the guidelines set by BCBS239 principles. In fact as of 2023 ECB has concluded that no substantial or timely progresses have been made to fully adhere to BCBS239 and achieve high standards within RDARR areas. Published in May 2024, The ECB Guide provides a clear list of 7 areas an institution should target their multi-year roadmaps to achieve an effective RDARR; from Data Management Bodies, Data Governance Framework and its scope, Integrated Data Architecture, Data Quality Management to Timeliness of reporting and effective implementation program.



Recent articles

1. Process Automation in Insurance Series #1 : Workflow optimisation with automated process mapping

*Written by Bence Zaupper, Managing Consultant,
and Seán Burke, Senior Consultant*

2. SCR Target Ratios – Eight Considerations for (Re)Insurers

*Written by Gary Stakem, Principal Consultant
Peer Reviewed by Francis Furey, Principal Consultant*

3. Liquidity Risk Management Planning Under the Solvency II Amendments: Key Actions for Compliance

*Written by Jérémie Sarfati, Consultant.
Reviewed by Francis Furey, Principal Consultant*

4. Empowering Valuation with Machine Learning: Tackling Complex Derivatives Classification

Written by Boris Makara, Consultant.

Discover more articles on our [page](#).



Banking

- pp. 14-19 Banking Regulatory Timeline
- p. 20 Supervision
- pp. 21-23 Risk Management
- p. 24 Recovery & Resolution
- p. 24 Reporting & Disclosure
- p. 25 Market Environment
- p. 26 Data Management
- p. 26 Climate Risk

Banking Regulatory Timeline

2025 Q1

CRR

Regulation

Most of CRR 3 provisions are intended to come into force

Application date: 1 Jan 2025

Guidelines

Updates to regulatory products, additional supervisory guidance, and implementation of the EBA Heatmap action plan for IRRBB

Document Release: tbd

RTS

2024 benchmarking report on IRB models

Document Release: tbd

RTS

RTS to define the term 'equivalent legal mechanism' ensuring timely completion of property under construction

Document Release: tbd

Report

2024 Benchmarking Report on Market Risk models

Document Release: tbd

RTS

On CVA for SFTs

Document Release: tbd

RTS

On the calculation and aggregation of Crypto-Exposure values

Document Release: tbd

RTS

On the elements to calculate the BI components

Document Release: tbd

Covered Bonds Directive

Q&As

Q&A on credit risk, large exposures, and securitisation and covered bonds

Document Release: tbd

CRD

Guidelines

Final Guidelines on ESG Risk Management

Document Release: tbd

Basel

Standards

Prudential treatment of banks' exposures to cryptoassets

Application date: 1 Jan 2025

2025 Q2

CRR

Report

Joint Committee spring risk report

Document Release: tbd

Report

Risk Assessment report

Document Release: tbd

CRD

Guidelines

On output floor and impact on the SREP

Application date: 1 Jan 2025

ITS

ITS on joint decision process for internal model applications

Document Release: tbd

Guidelines

GL to specify proportionate diversification methods for retail exposures

Document Release: tbd

Guidelines

GL specifying the methodology institutions shall apply to estimate IRB-CCF

Document Release: tbd

RTS

Establishing a risk taxonomy of OpRisk loss events

Document Release: tbd

RTS

On the adjustments to the loss Data Set

Document Release: tbd

RTS

On the calculation of aggregated losses

Document Release: tbd

2025 Q3

Stress Test

Results

EBA publication of the 2025 EU-wide stress test results

Document Release: July 2025

Guidelines

On Institutions climate scenario analysis and Stress test

Document Release: tbd

Guidelines

On supervisory climate Stress test

Document Release: tbd

CRR

ITS

On joint decision process for internal model applications

Document Release: tbd

RTS

On criteria that institutions shall use to assign off-balance-sheet items, constraining factors for UCC and notification process

Document Release: tbd

Guidelines

To specify proportionate diversification methods for retail definition

Document Release: tbd

RTS

Specifying the term "equivalent legal mechanism" in place to ensure that the property under construction will be finished within a reasonable time frame

Document Release: tbd

Banking Regulatory Timeline

Guidelines

Specifying the terms 'substantial cash deposits', 'appropriate amount of obligor-contributed equity' and 'significant portion of total contracts'

Document Release: tbd

Guidelines

On the definition of default, in particular for diminished financial obligation

Document Release: tbd

RTS

On the specification of long and short positions

Document Release: tbd

RTS

On supervisory delta for commodity prices

Document Release: tbd

RTS

On FX and commodity risk in the banking book

Document Release: tbd

RTS

On risk factor modellability

Document Release: tbd

RTS

On profit and loss attribution

Document Release: tbd

RTS

On Crypto

Document Release: tbd

RTS

On disclosure requirements/ disclosure formats and instructions

Document Release: tbd

ITS

Specifying uniform disclosure formats for ESG risks

Document Release: tbd

Report

On the completeness and appropriateness of the relevant CRR definitions and provisions on consolidation

Document Release: tbd

Report

On the appropriate calibration of risk parameters applicable to specialised lending exposures under the IRB

Document Release: tbd

RTS

On criteria for high quality project finance specialised lending exposures

Document Release: tbd

Report

Joint Committee autumn risk report

Document Release: tbd

ITS

On supervisory reporting for ESG risks

Document Release: tbd

ITS

On disclosure requirements- Implementation of CRR3/CRD6 changes in Pillar 3 framework

Document Release: tbd

CRD

Guidelines

On specific publication requirements

Document Release: tbd

Report

On whether any financial sector entity in addition to credit institutions should be exempted from the requirement to establish a branch for the provision of banking services by third-country undertakings

Document Release: tbd

Guidelines

On artificial cash flow and discount rate

Document Release: tbd

Securitisation Regulation

Report

JC Report on Securitisation Framework under 44 of SECR

Document Release: tbd

RTS

On data inputs

Document Release: tbd

BRRD

Report

RTS on Resolution planning

Document Release: tbd

SFDR

Report

2025 Report under article 18 SFDR

Document Release: tbd

Report

On effective riskiness, framework modifications, and their impact on financial stability and bank lending

Document Release: tbd

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

Banking Regulatory Timeline

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](#)

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 BIC components to FINREP
[Document Release: tbd](#)

RTS
On adjustments of the BIC
[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 QHs
[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 thirdcountry 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](#)

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](#)

Banking Regulatory Timeline

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](#)

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](#)

Banking Regulatory Timeline

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](#)

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](#)

Banking Regulatory Timeline

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](#)

Supervision

SREP ECB (Report)

2024 SREP Results

The ECB has published the 2024 SREP results which show that the euro area banks maintained strong capital and liquidity positions in 2024, exceeding regulatory requirements. However, the weakening macroeconomic outlook and geopolitical risks require more vigilance. The SREP resulted in minimal changes to banks' scores and Pillar 2 requirements, with most scores remaining stable. CET1 capital requirements increased slightly. The ECB increased Pillar 2 add-ons for insufficiently provisioned non-performing exposures and risky leveraged loans for some banks, and significantly increased the number of banks with leverage ratio Pillar 2 requirements.

Release date: 2024-12-17
ecb.europa.eu



Supervision BCBS (Report)

The 2023 Banking Turmoil and Liquidity Risk

The BCBS has published a report updating the G20 on its analysis of the 2023 banking turmoil. The report focuses on liquidity risk dynamics observed during the crisis, building on a previous report from October 2023. It examines liquidity outflows experienced by distressed banks, assesses liquidity risk factors not covered by the Basel III's LCR, analyses the accounting and valuation of liquid assets used to meet the LCR, and explores potential barriers to banks using their liquidity buffers. The report also evaluates the effectiveness of supervisory monitoring tools and stress indicators.

Release date: 2024-10-11
publ/d582



Supervision BCBS (Report)

Implementing a Positive Neutral Countercyclical Capital Buffer

The BCBS has published a report examining practices in implementing a positive neutral countercyclical capital buffer. First detailed in a report in 2017, the CCyB framework provides flexibility for jurisdictions to adapt policies when risks are neither subdued nor elevated. The new report builds on this framework and on insights from a 2022 newsletter that highlighted the benefits of a positive neutral CCyB rate and analyses frameworks, calibration methods, operational approaches, and reciprocity considerations.

Release date: 2024-11-28
publ/d585



Supervision EBA (Work Programme)

EBA Work Programme 2025

The EBA has published its 2025 Work Programme, highlighting key priorities such as implementing the EU Banking Package, enhancing financial stability, improving data infrastructure, and launching a data portal. The EBA will also begin oversight activities under the DORA and MiCAR. It will also focus on consumer-oriented mandates and the transition to the new AML/CFT framework, collaborating closely with EU and non-EU stakeholders.

Release date: 2024-10-02
EBA/REP/2024/20



Risk Management

CRR EBA (RTS)

Final Draft RTS on Residual Risk Hedge Exemption

The EBA has published the final draft RTS on determining if an instrument hedging residual risk qualifies for an exemption from the residual risk add-on (RRAO) under the FRTB framework. These RTS specify conditions for exemption, differentiating between RRAO charges related to non-SbM risk factors and other reasons. For non-SbM risk factors, the RTS assess whether the hedge reduces sensitivity to that factor. For other reasons, complete offsetting of the RRAO risk is required for exemption. The RTS address hedging instruments referencing exotic underlyings like dividends.

Release date: 2024-12-17
EBA/RTS/2024/20



CRR EBA (Consultation)

Consultation Paper on draft RTS on material model change

The EBA has initiated a public consultation on draft RTS to clarify and enhance the conditions for assessing material model changes (MMC) and extensions under the IRB approach. These updates align with the CRR3 and aim to improve the supervisory approval process. Proposed changes include adjustments to qualitative criteria for material changes, enhancements to the validation framework, and clarifications on quantitative backstop criteria.

Release date: 2024-12-09
Consultation End: 2025-03-10
EBA/CP/2024/24



Basel BCBS (Standards)

Final Guidelines for CCR

The BCBS has published the final guidelines for counterparty credit risk management, addressing persistent industry weaknesses. Key measures include thorough due diligence during onboarding and ongoing monitoring, comprehensive credit risk mitigation strategies, diverse metrics for measuring and controlling CCR, and robust governance frameworks. These guidelines replace the 1999 "Sound Practices" and aim to strengthen banks' CCR management practices.

Release date: 2024-12-11
Application Date: 2024-12-11
bcbs/publ/d588



CRR EBA (RTS)

Identifying long/short positions for market and counterparty risks

The EBA has published its final draft RTS for identifying the main risk driver and determining whether a transaction constitutes a long or short position, as part of its Phase 1 deliverables under the EU banking package roadmap. The RTS propose methods based on market risk and counterparty credit risk standardised approaches, with a simplified approach for basic instruments like bonds and swaps. Developed under Article 94(10) of the CRR3, the RTS align with methodologies outlined in previous standards, supporting consistent capital requirements calculation for market and counterparty credit risks.

Release date: 2024-12-06
EBA/RTS/2025/19



Risk Management

BASEL BCBS (Consultation)

Hedging of counterparty credit risk exposures

The BCBS has published a consultative document on technical amendments related to hedging counterparty credit risk exposures. These amendments address situations where a bank uses guarantees or credit default swaps (CDS) to hedge the counterparty credit risk from derivative exposures.

Release date: 2024-11-27
Consultation End: 2025-01-31

[publ/d584](https://www.bis.org/publ/d584)



Basel BCBS (Technical Document)

Finalisation of various technical amendments

The BCBS has published various technical amendments to the Basel Framework, focusing on the standardized approach to credit risk and cryptoasset exposures. These amendments, initially proposed in July 2024, have been agreed upon by BCBS members for implementation within three years. The specific amendment to SCO60.80 will be part of the final cryptoasset exposures standard, effective from 1 January 2026. These changes are minor adjustments to the existing standards.

Release date: 2024-11-27
Application Date: 2024-11-27

[publ/d583](https://www.bis.org/publ/d583)



CRR EBA (Consultation)

Proportionate retail diversification methods under the CRR

The EBA has initiated a consultation on draft Guidelines for proportionate retail diversification methods, allowing certain retail exposures to qualify for preferential risk weighting under the credit risk standardised approach. These Guidelines define criteria for determining when retail portfolios are diversified enough to merit the preferential retail risk weight under the CRR. The EBA proposes a modified granularity threshold, where up to 10% of a portfolio can exceed the 0.2% exposure cap set by the Basel framework, aiming to accommodate smaller institutions in the EU.

Release date: 2024-11-12
Application Date: 2024-12-16

eba.europa.eu



Stress Testing EBA (Press Release)

Methodology and Draft Template for the 2025 EU-Wide Stress Test

The EBA has published the final methodology, draft templates, and key milestones for the 2025 EU-wide stress test. This stress test will officially start in January 2025 after the release of macroeconomic scenarios. Using a constrained bottom-up approach, the test evaluates banks' solvency by examining the impact of shocks on risk factors like credit, market, counterparty, and operational risks. Key milestones will include initial results submission in April 2025, with final results published in August 2025.

Release date: 2024-11-12

eba.europa.eu



Risk Management

CRR3 Commission (Regulation)

Date of application of the own funds requirements for market risk

The Official Journal of the EU has published a Delegated Regulation regarding the application date of own funds requirements for market risk postponing the application of new market risk own funds requirements by one year. The new requirements will now apply from 1 January 2026, with the current market risk provisions remaining in effect until then.

Release date: 2024-10-31
Application Date: 2024-11-01

[EU\) 2024/2795](https://eur-lex.europa.eu/eli/reg/2024/2795)



CRR EBA (Consultation)

Treatment of structural FX positions and its reporting

The EBA has published a consultation paper on draft RTS for managing and reporting structural foreign exchange (FX) positions under Article 104c of the CRR. These standards aim to standardize EU practices, following varied interpretations of structural FX provisions under previous guidelines. Key updates include quantitative thresholds to identify eligible currencies for structural FX treatment, options to prioritize credit risk in managing FX impacts on capital ratios, and clarifications on FX risk exclusions in capital requirements.

Release date: 2024-10-28
Consultation End: 2025-02-07

[EBA/CP/2024/21](https://eba.europa.eu/eba/CP/2024/21)



CRR EBA (Report)

Report on Credit Insurance

The EBA has published a report on credit insurance, recommending alignment of EU rules with the Basel framework. The report analyzed the prudential banking framework for credit risk mitigation (CRM) techniques which provides banks with recourse to both the obligor and the insurer in case of default. The report also analysed supervisory and industry data to assess the conservativeness of the loss given default (LGD) framework, but found insufficient data to justify a deviation from the Basel framework.

Release date: 2024-10-03

[EBA/REP/2024/21](https://eba.europa.eu/eba/REP/2024/21)



Recovery & Resolution

Supervision SRB (Consultation)

Operational guidance for banks on resolvability self-assessment

The SRB has launched a consultation on the operational guidance for banks on resolvability self-assessment. The consultation is part of the SRM Vision 2028 strategy to ensure that European banks are equipped for the future and crisis-ready, based on a revised methodology encompassing lessons learnt from crisis cases, best practice and the testing of banks' capabilities. In particular, the consultation focuses on a self-assessment template that banks are expected to complete each year, providing more clarity on how resolvability is assessed, fostering consistency and a level playing field across the sector.

Release date: 2024-12-03
Consultation End: 2025-02-07

srb.europa.eu



Reporting & Disclosure

CRR Commission (ITS)

Supervisory reporting of institutions under the CRR

The Official Journal of the EU has published an implementing Regulation with ITS as regards to the supervisory reporting of institutions under the CRR. This regulation repeals another one and lays down uniform reporting formats, the frequency and dates of reporting for the reporting by institutions to their Member State competent authorities in accordance with Article 415, paragraphs 3 and 3a, and Article 430, paragraphs 1 to 4, 7 and 9 of the CRR.

Release date: 2024-12-27
Application Date: 2024-12-28

[EU/2024/3117](https://europa.eu/european-council/2024/3117)



Supervision FSB (Statement)

Importance of resolution planning and loss-absorbing capacity for banks

The FSB has issued a statement urging for enhanced resolution planning and loss-absorbing capacity for banks that could pose systemic risks if they fail. This approach, reinforced by lessons from the 2023 bank failures, aims to protect critical functions and prevent taxpayer-funded bailouts. The FSB advises authorities to identify such banks, prepare resolution strategies, and ensure banks maintain sufficient LAC to absorb losses independently. Many jurisdictions already impose LAC requirements on significant banks beyond G-SIBs, tailoring standards to their local banking systems to support financial stability and crisis resilience.

Release date: 2024-11-13

[R131124](https://www.fsb.europa.eu/131124)



CRR3 EBA (Opinion)

Response to EC on ITS On public Disclosure and Supervisory Reporting

The EBA has published an Opinion on the European Commission's proposed amendments to the EBA's draft technical standards on public disclosures and supervisory reporting under the CRR3. The EBA acknowledged the Commission's amendments as a flexible, intermediate step but expressed a preference for publishing only the main ITS body in the Official Journal, while keeping templates and instructions on the EBA website for greater adaptability. The EBA and the Commission will continue collaborating to further develop these standards in line with CRR3 requirements.

Release date: 2024-11-14

[EBA/op/2024/07](https://www.eba.europa.eu/eba/op/2024/07)



Market Environment

Market Trends EBA (Report)

Autumn Risk Assessment Report

The EBA has published its Autumn 2024 Risk Assessment Report, highlighting that EU/EEA banks remain robust despite challenges from geopolitical tensions and rising cyber threats. While lending is slowly increasing, asset quality has slightly declined, and risks in the commercial real estate (CRE) sector persist. Climate and physical risks are significant, and operational risks, including cyber threats, are growing. Banks maintain strong capital positions and high profitability, though sustainability and valuation lag behind global peers. The report also includes the results of the 2024 EU-wide transparency exercise, covering 123 banks in 26 countries.

Release date: 2024-11-29

[Nov-24](https://www.eba.europa.eu/2024/11/29)



Basel EBA (Report)

Basel 3 Monitoring Report

The EBA has published its third Basel III monitoring report which assesses the impact of the EU implementation of the framework on banks by 2033. The report shows a further decrease in the minimum required capital compared to 2022, with minimal estimated Tier 1 capital shortfall and a total capital shortfall of EUR 5.1 billion. Overall, the EU banking sector needs an additional EUR 0.9 billion of Tier 1 capital to comply with the Basel III reform, which can be easily raised.

Release date: 2024-10-04

[EBA/REP/2024/22](https://www.eba.europa.eu/eba/rep/2024/22)



CRR EBA (Press Release)

EBA updates list of CET1 instruments

The EBA has published an updated list of the Common Equity Tier 1 instruments. Since the last update in December 2022, references to grandfathered instruments were removed due to the expiration of related provisions under the CRR on 31 December 2021. The updated list includes new instruments, excludes those no longer in use, and incorporates changes in national legislative provisions.

Release date: 2024-11-20

[eba.europa.eu](https://www.eba.europa.eu)



Data Management

CRR EBA (Technical Package)

EBA Technical package for 4.0 reporting framework

The EBA has published the final technical package for its 4.0 reporting framework, effective first half of 2025. This package uses the DPM 2.0 semantic glossary and covers reporting for ART and EMT issuers. It also includes updated COREP templates reflecting CRR3/CRD6 changes for banks and class 2 investment firms, and updated DORA register requirements. The package provides standard specifications (validation rules, DPM, XBRL taxonomies) and includes both DPM 1.0 and DPM 2.0 data dictionaries, with the DPM Query Tool also updated.

*Release date: 2024-12-19
Application Date: 2024-12-19*

eba.europa.eu



CRR3/CRD6 EBA (Consultation)

Consultation on centralised EBA Pillar 3 data hub

The EBA has published a consultation on the Pillar 3 data hub, a centralised platform for prudential disclosures by institutions. This project, part of the Banking Package under CRR3 and CRD6, aims to streamline data access through a single electronic point on the EBA website. The consultation focuses on ITS outlining IT solutions and processes for institutions to submit Pillar 3 disclosures, including data formats and technical validations by the EBA.

*Release date: 2024-10-11
Consultation End: 2024-11-05*

[EBA/CP/2024/20](https://eba.europa.eu/CP/2024/20)



Climate Risk

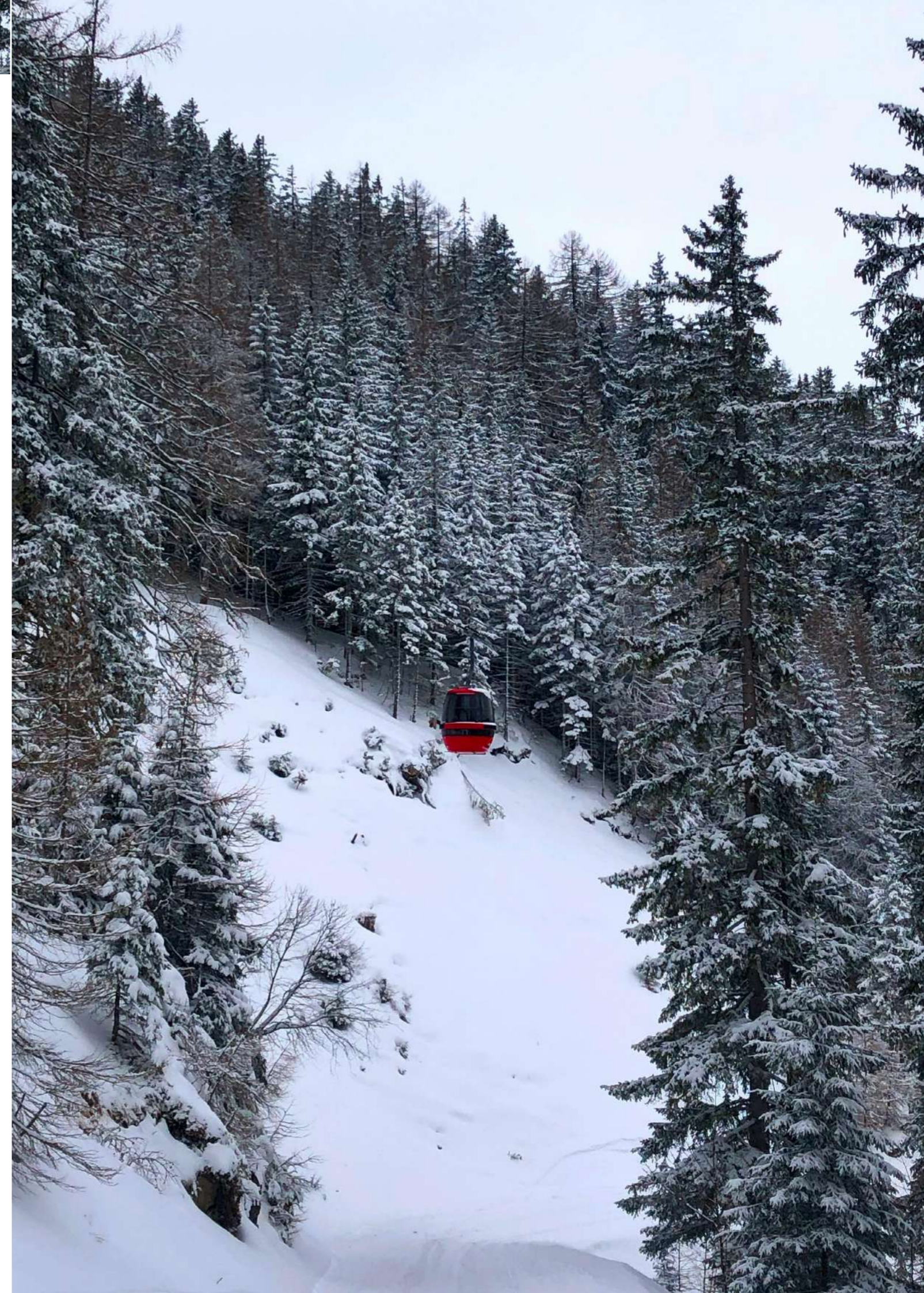
SFDR Commission (Report)

Categorisation of Products under the SFDR

The EU Platform on Sustainable Finance has issued a report on categorizing products under the SFDR. It proposes three categories: sustainable - aligned with the EU Taxonomy or Sustainable Investments without harmful activities, transition - supporting the move to a sustainable economy and net-zero emissions, and ESG collection - investments with improved environmental or social criteria while excluding harmful activities. The report suggests expanding the categorisation scope beyond SFDR to include all products and services under sustainability preferences in relevant EU directives.

Release date: 2024-12-17

ec.europa.eu





Insurance

- pp. 30-31 Insurance Regulatory Timeline
- pp. 32-33 Supervision
- p. 33 Climate Risk
- pp. 34-35 Risk Management
- p. 36 Market Environment

Insurance Regulatory Timeline

2025 Q1

Solvency II

Guidelines

On Climate Stress Testing

Document release: tbd

Technical Advice

On the delegated regulation of Solvency II as regards to Proportionality and Central Counterparties

Document release: tbd

2025 Q3

SFDR

Report

Joint ESAs report under article 18 of the SFDR for voluntary reporting standards

Document release: tbd

IORP

Opinion

On the liquidity risk management of IORPs

Document release: tbd

Insurance Supervision

Report

Annual Insurance Sector overview report

Document release: tbd

Guidelines

On Supervisory Review Process (SRP)

Document release: tbd

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

IRR

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

Insurance Regulatory Timeline

2031

Solvency II

Report

Treatment of related credit institutions in the group Solvency Capital Requirement

Document release: tbd

Supervision

Climate Risk

EIOPA/ECB (Press Release)

Reducing the Economic Impact of Natural Catastrophes

The EIOPA and the ECB have published a joint paper proposing a two-pillar EU-level solution to reduce the economic impact of natural catastrophes. The proposal, building on a 2023 discussion paper, addresses increasing natural catastrophe frequency and severity and aims to protect individuals, businesses, and governments. The first pillar is an EU public-private reinsurance scheme to increase coverage by pooling risks across the EU and funded by risk-based premiums. The second pillar is an EU fund for public disaster financing, funded by Member States, to rebuild public infrastructure after disasters, contingent on prior risk mitigation measures.

Release date: 2024-12-18

eiopa.europa.eu



Climate Risk

EIOPA (Consultation Paper)

Natural catastrophes tool to raise awareness on risks and vulnerabilities

The EIOPA has published a consultation paper seeking feedback on a proposed awareness tool to help Europeans understand their properties' exposure to natural hazards, the benefits of adequate insurance, and preventive measures to reduce losses. As climate change intensifies hazards like floods, storms, and wildfires, citizens face greater risks and potential insurance premium increases. The tool would provide risk scores based on location, prevention strategies, and insurance insights, focusing on major European perils such as earthquakes, floods, and windstorms. The EIOPA believes raising awareness will reduce the insurance protection gap and enhance resilience against climate change.

Release date: 2024-11-28

Consultation End: 2025-02-28

eiopa.europa.eu



Supervision

IAIS (Consultation Paper)

Draft Application Paper on the supervision of artificial intelligence

The IAIS has published a draft Application Paper on AI supervision. The paper addresses the growing use of AI in the insurance industry, highlighting its potential benefits, such as improved efficiency and risk management, alongside risks like data privacy concerns, societal bias, and accountability issues. It emphasises integrating AI into governance frameworks, ensuring transparency, fairness, and robust oversight, while maintaining insurers' accountability for AI outcomes.

Release date: 2024-11-18

Consultation End: 2025-02-17

iaisweb.org



ICS

EIOPA (Press Release)

EIOPA welcomes the agreement on the ICS

The EIOPA has published a Press Release welcoming the approval of ICS by the IAIS as a prescribed capital requirement for internationally active insurance groups. The EIOPA emphasises the ICS's alignment with key elements of the Solvency II framework, such as market-adjusted valuation, risk-based capital requirements, and the use of internal models. While noting that the US Aggregation Method needs adjustments to match ICS outcomes, the EIOPA appreciates the commitment from US regulators to address areas like interest rate risk and supervisory timing.

Release date: 2024-11-14

eiopa.europa.eu



Supervision

Solvency II

EIOPA (Consultation)

Criteria for selecting insurers to run macroprudential analyses

The EIOPA has launched a consultation on the criteria for national supervisors to request (re)insurers and insurance groups to conduct macroprudential analyses in their ORSA and under the Prudent Person Principle (PPP). The proposal includes both quantitative and risk-based criteria, with a €12 billion asset threshold and additional qualitative measures. These criteria aim to ensure a balanced, proportionate application of regulatory standards, allowing for supervisory judgment while avoiding unnecessary requirements for insurers.

Release date: 2024-10-17

Consultation End: 2025-01-09

[EIOPA-BoS-24-321](https://eiopa.europa.eu)



Climate Risk

Solvency II

EIOPA (Consultation)

Management of Sustainability Risks

As part of the Solvency II review, the EIOPA has published a consultation paper on draft RTS to address the management of sustainability risks including sustainability risk plans by insurers. The draft RTS specify the minimum standards and reference methodologies for the identification, measurement, management, and monitoring of sustainability risks, the elements to be covered in the plans, the supervision and the disclosure of relevant elements of the plans.

Release date: 2024-12-04

Consultation End: 2025-02-26

[EIOPA-BoS-24-458](https://eiopa.europa.eu)



Supervision

EIOPA (Report)

Value for Money Benchmarking Methodology

The EIOPA has published its methodology for setting value-for-money benchmarks for unit-linked and hybrid insurance products. These benchmarks aim to enhance supervision by identifying products with high value-for-money risks and ensuring consumers are prioritized. The EIOPA's three-step approach involves clustering similar products, defining value-for-money indicators, and using data to calculate benchmarks. This methodology will help supervisors address issues like mismatches between expected and actual returns, and unjustified costs. By promoting fair pricing and transparency, the EIOPA seeks to strengthen consumer trust in the insurance market.

Release date: 2024-10-07

[EIOPA-BoS-24-332](https://eiopa.europa.eu)



Solvency II

EIOPA (Report)

Prudential Treatment of Sustainability Risks

The EIOPA has published a report recommending additional capital requirements for fossil fuel assets on European insurers' balance sheets to better reflect their transition risks. The report analyses the prudential treatment of assets tied to environmental and social risks under Solvency II. The EIOPA suggests a 17% additive capital increase for stocks and a 40% multiplicative charge for bonds exposed to fossil fuels to align capital reserves with the elevated risks of these assets. The report also explores potential risk reduction through policyholders' climate adaptation measures and highlights social risks, though no specific prudential actions are recommended yet.

Release date: 2024-11-07

[EIOPA-BoS-24-372](https://eiopa.europa.eu)



Risk Management

Solvency II

EIOPA (Technical Document)

Methodology to derive risk-free interest rate term structures

The EIOPA has published the updated representative portfolios for calculating volatility adjustments to the risk-free interest rate term structures under Solvency II. These portfolios, based on 2023 annual reports from European (re)insurance companies, aim to enhance accuracy in reflecting market volatility impacts. The EIOPA plans to revise these portfolios annually, with the next update scheduled for late 2025.

Release date: 2024-12-10
Application Date: 2025-03-31

[EIOPA-BoS-24-533](#)



ICS

IAIS (Standard)

IAIS adopts the Insurance Capital Standard

The IAIS has adopted the Insurance Capital Standard (ICS), the first global risk-based measure of capital adequacy for internationally active insurance groups. Alongside the ICS, IAIS updated its Insurance Core Principles and Common Framework standards, addressing climate risks, systemic risks, and valuation and capital adequacy. These measures aim to enhance global financial stability and resilience in the insurance sector, with implementation timelines beginning in 2025.

Release date: 2024-12-05
Application Date: 2024-12-05

iaisweb.org



Risk Management

Solvency II

EIOPA (Opinion)

The scope of DORA in light of the review of Solvency II

The EIOPA has published an Opinion regarding the impact of increased size thresholds under the revised Solvency II Directive, as part of the Solvency II Review on insurance undertakings in scope of DORA. The EIOPA calls on the European Commission to prevent disproportionate compliance burdens on small insurance companies during the transition period before the updated Solvency II Directive is applied. Companies under the new thresholds will still be required to comply with DORA starting 17 January 2025 while being exempt from Solvency II. The EIOPA argues this creates unnecessary administrative costs without a clear benefit to the primary goals of DORA.

Release date: 2024-10-17
[EIOPA-BoS-24-321](#)



MiCAR

EIOPA (Consultation Paper)

Standard formula capital requirements for Crypto-Assets

The EIOPA has launched a public consultation on its draft technical advice regarding standard formula capital requirements for crypto assets within the EU's regulatory framework for insurers. Based on its analysis of EU insurers' crypto holdings, the EIOPA is proposing a 100% haircut on insurers' crypto assets to account for the risks involved. While crypto assets currently make up a small portion of insurers' portfolios, the EIOPA stresses the need for prudential treatment due to the volatility and risks associated with these investments.

Release date: 2024-10-24
Consultation End: 2025-01-16

[EIOPA-BoS-24-413](#)



Solvency II

EIOPA (Consultation Paper)

Guidelines on the treatment of market and counterparty risk exposures in the standard formula

The EIOPA has launched a consultation on proposed amendments to improve the treatment of certain financial transactions in the calculation of the counterparty default risk module under the Solvency Capital Requirement. The amendments include the deletion of three Guidelines, modifications to others to expand their scope, and the introduction of a new Guideline to address the treatment of leveraged funds. These changes aim to enhance clarity and consistency in managing market and counterparty risk exposures.

Release date: 2024-12-04
Consultation End: 2025-02-26

[EIOPA-BoS-24/481](#)



Solvency II

EIOPA (Consultation Paper)

Biodiversity Risk Management by Insurers

The EIOPA has published a consultation paper as part of the Solvency II review to address biodiversity loss and its economic and financial impact for insurers. This loss poses significant risks, including reduced investment value, increased insured losses, and elevated risk profiles for insurers. The EIOPA highlights that the insurance sector has notable investment exposure to assets reliant on nature and ecosystem services, signaling potential biodiversity risks. To tackle this, the EIOPA focuses on how insurers identify, measure, and manage these risks, particularly through their ORSA practices with the aim to involve supervisors and insurers in mitigating these risks.

Release date: 2024-12-04
Consultation End: 2025-02-26

[EIOPA-BoS-24/455](#)



Supervision

IAIS (Report)

Enterprise Risk Management for solvency purposes

The IAIS has published its aggregate assessment report on the peer review process (PRP) for Insurance Core Principle (ICP) 16, which focuses on Enterprise Risk Management for Solvency Purposes. The report includes observations on how 67 jurisdictions across all IAIS regions adhere to these standards. Most participating members were rated as "largely observed," indicating only minor gaps in their regulatory framework. The PRP promotes awareness and understanding of supervisory practices, helping jurisdictions improve their implementation of IAIS standards.

Release date: 2024-10-24
iaisweb.org



Solvency II

EIOPA (Consultation Paper)

First Batch of Consultations after Solvency II Review

The EIOPA has launched five consultations on RTS and ITS related to the Solvency II review. These standards cover topics such as cross-border supervision, liquidity management, and exceptional sector-wide shocks. Once adopted, these standards will guide the implementation of changes to the Solvency II framework, aiming to enhance supervisory effectiveness, risk management, and financial stability within the EU insurance sector.

Release date: 2024-10-01
Application Date: 2025-01-02

eiopa.europa.eu



Market Environment

Stress Testing

EIOPA (Report)

Insurance 2024 Stress Test Results

The EIOPA has published the results of its 2024 Insurance Stress Test. The test involved 48 insurers and showed that despite substantial capital losses and liquidity challenges, insurers remained well-capitalized, meeting Solvency II requirements. The stress scenario included subdued growth, high inflation, credit spread widening, and sector-specific pressures like claims inflation and reduced premiums. Insurers' solvency ratios dropped from 221.8% to 123.3% under fixed conditions but improved to 139.9% with reactive management actions, such as asset sales and dividend retention.

Release date: 2024-12-10

[EIOPA-BoS-24-553](#)



Market Trends

EIOPA (Report)

Financial Stability Report

The EIOPA has published its December 2024 Financial Stability Report, assessing risks and vulnerabilities for European insurers and occupational pension funds. While global tensions and economic challenges persist, these sectors remain resilient, with strong solvency and funding ratios. Inflation and interest rates have declined, but concerns over Europe's economic growth persist. The report highlights three key areas: the modest impact of real estate sector vulnerabilities despite insurers' and pension funds' 10% exposure, the rise of asset-intensive reinsurance and its associated risks, and the European Systemic Risk Assessment Framework.

Release date: 2024-12-12

[EIOPA-BoS-24-516](#)



Market Trends

IAIS (Report)

2024 Global Insurance Market Report

The IAIS has published its Global Insurance Market Report 2024 highlighting stable solvency and profitability levels in the global insurance sector, supported by strong underwriting and investment returns, despite increased systemic risk and challenges like climate-related and geopolitical risks. While the sector's outlook remains stable, supervisory focus intensifies on liquidity, cyber risks, and AI/digitalisation impacts. The report offers insights for strengthening resilience in the middle of uncertainties.

Release date: 2024-12-03

[Gimar2024](#)





Asset Management

- p. 40 Asset Management Regulatory Timeline
- p. 41 Supervision
- p. 41 Risk Management

Asset Management Regulatory Timeline

2025 Q1

Covered Bonds Directive

Q&As
Q&A on credit risk, large exposures, and securitisation and covered bonds
[Document Release: tbd](#)

2025 Q2

EMIR

Directive
Margin requirements to apply to intragroup transactions
[Application Date: 30 June 2025](#)

EMIR

Directive
Clearing Obligations to apply to intragroup transactions
[Application Date: 30 June 2025](#)

IFD

Report
On the appropriateness of remuneration provisions in IFD
[Document release: tbd](#)

2025 Q4

EMIR

Assessment
On the initial margin models under EMIR
[Document Release: tbd](#)

2026 Q2

AIFMD2

Directive
Application of the new Amending Directive
[Application Date: 16 April 2026](#)

Supervision

AIFMD

ESMA (Consultation)

Open-ended loan-originating AIFs under the AIFMD

The ESMA has launched a consultation paper on draft RTS for open-ended loan-originating from Alternative Investment Funds under the revised AIFMD. These RTS outline requirements to ensure that loan-originating AIFs can maintain an open-ended structure, harmonizing rules across the EU. Managers must demonstrate to their national authorities that their liquidity risk management aligns with their investment strategy and redemption policy.

Release date: 2024-12-12
Consultation End: 2025-03-12
[ESMA34-1985693317-1085](#)



AIFMD/UCITS

CSSF (Report)

Portfolio management function by investment fund managers

The CSSF has published the report on the thematic review it conducted on investment fund managers (IFMs) from 2021 to 2024. The report focuses on the delegation of portfolio management functions and aimed to ensure compliance with UCITS and AIFMD regulations and protect investor interests. The CSSF urges IFMs to assess their monitoring of delegated portfolio management by the end of Q1/2025.

Release date: 2024-10-23
[cssf.lu](#)



Risk Management

IFR

EBA (ITS)

Draft ITS on reporting and disclosures requirements for investment firms

The EBA has published an amendment to the supervisory reporting framework for investment firms to align with the updated CRR3 and the ITS for credit institutions. These amendments address counterparty credit risk, market risk (K-NPR), and CVA risk. Investment firms can opt to report using COREP templates, following cross-references to ITS for credit institutions. In December 2024, the EBA released a technical package with data point modelling, validation rules and taxonomy for reporting.

Release date: 2024-12-03
[EBA/ITS/2024/08](#)



Supervision

IOSCO (Consultation Paper)

Updated Liquidity Risk Management for Collective Investment Schemes

The IOSCO has published a Consultation Report seeking feedback on its updated Liquidity Risk Management (LRM) Recommendations for Collective Investment Schemes (CIS), with a focus on open-ended funds. The report also includes complementary guidance to support the effective implementation of these recommendations.

Key revisions include:

1. Categorization of Open-Ended Funds (OEFs).
2. Liquidity Management Tools (LMTs).
3. Stress Testing.
4. Disclosure and Technical Guidelines.

Release date: 2024-11-11
Application Date: 2025-02-11
[CR/06/2024](#)





Cross-Sector

- p. 44 Cross-Sector Regulatory Timeline
- pp. 46-48 Supervision
- p. 49 Reporting & Disclosure
- pp. 50-51 Climate Risk
- p. 52 Market Environment
- p. 52 Risk Management
- p. 52 Data Management

Cross-Sector Regulatory Timeline

2024 Q4

Sustainable Finance

Report

Pillar I report on sustainable Finance

[Document release: tbd](#)

Thematic Review

To be aligned with supervisory expectations, including integration of C&E risks in stress testing framework and ICAAP

[Application date: 31 Dec 2024](#)

2025 Q1

Sustainable Finance

Delegated Regulation

The Commission to include crypto-asset mining in the economic activities that contribute to climate change mitigation

[Application date: 1 Jan 2025](#)

2025 Q3

Sustainable Finance

Guidelines

On minimum standards and reference methodologies for the identification, measurement, management and monitoring of ESG risks

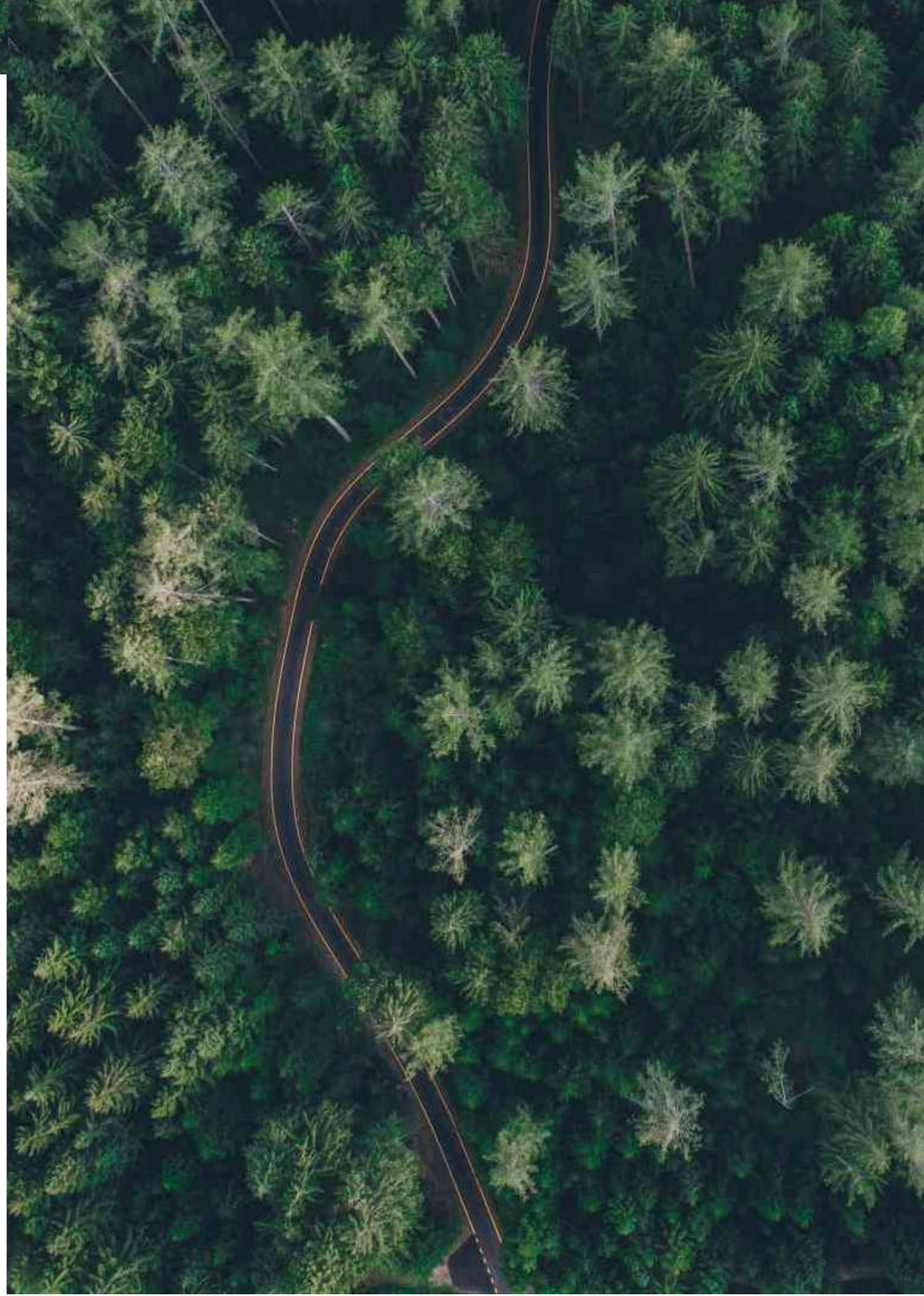
[Document Release: tbd](#)

Covered Bonds Directive

Q&As

Q&A on credit risk, large exposures, and securitisation and covered bonds

[Document Release: tbd](#)



Supervision

Benchmarks Regulation Council (Press Release)

Council and Parliament reach deal on financial benchmarks

The EU Council and Parliament have announced that they have reached a provisional agreement to simplify the benchmark regulations, reducing burdens on EU companies, especially SMEs. Non-significant benchmarks will be removed from the scope of current rules, with only critical or significant benchmarks, EU Paris-aligned and Climate Transition benchmarks, and certain commodity benchmarks remaining regulated. Non-significant benchmark administrators can voluntarily opt into the regulations.

Release date: 2024-12-12
consilium.europa.eu



EMIR ESAs (Consultation)

Entities in scope of initial margin model authorisation under EMIR 3

The ESAs have launched a survey aimed at entities subject to the initial margin (IM) model authorisation under the revised EMIR 3. EMIR 3 introduces an authorisation regime for IM models in the EU, a new EBA central validation function for pro-forma margin models like ISDA SIMM, and increased oversight of IM models for larger counterparties. The survey seeks data on entities in scope, including information relevant to fee calculation and IM models. This data will inform EBA's central validation function and its response to the EU Commission's Call for advice on fees.

Release date: 2024-10-29
Consultation End: 2024-11-29
eba.europa.eu



Supervision FSB (Report)

The Financial Stability Implications of AI

The FSB has published a report on the implications of AI in the Financial System, highlighting its benefits, such as improved efficiency and advanced analytics, but also warning of amplified vulnerabilities like third-party dependencies, cyber risks, and model risks, which may increase systemic risks. While many financial institutions approach GenAI cautiously, its accessibility accelerates adoption. The FSB calls for enhanced monitoring of AI developments, assessment of regulatory adequacy, and improved supervisory capabilities, leveraging AI-powered tools to address emerging risks.

Release date: 2024-11-14
fsb.org



Benchmarks Regulation Parliament (Position Paper)

Parliament adopts amendment to the Benchmarks Regulation

The European Parliament has published its position, adopted at first reading on April 24, 2024, regarding the adoption of Regulation (EU) 2024. This regulation amends the Benchmarks Regulation to expand the scope of rules for benchmarks, regulate the use of benchmarks administered by entities in third countries within the EU, and adjust certain reporting requirements. This amendment aims to enhance regulatory oversight and reporting for benchmarks used in the EU, particularly those provided by administrators outside the Union.

Release Date: 2024-10-24
[EP-PE_TC1-COD\(2023\)0379](https://ep-pe_tc1-cod(2023)0379)



Supervision

Supervision FSB (Report)

Depositor Behaviour, Interest Rate and Liquidity Risks in the Financial System

The FSB has published a report analysing depositor behaviour, interest rate, and liquidity risks, with a focus on the role of technology and social media in bank runs. The report highlights that life insurers, non-bank real estate investors, and certain banks are most vulnerable to solvency and liquidity risks. The rapid bank runs of March 2023, accelerated by social media, show the need for quicker reactions to deposit outflows. The report calls for enhanced liquidity management, monitoring of social media, and improved operational readiness for crisis resolution.

Release date: 2024-10-23
[P231024](https://p231024)



MiFIR ESMA (Guidance)

Updated Guidance under the MiFIR Review

The ESMA has published updated guidance documents related to the MiFIDII/MiFIR Review. These updates include Q&As on transparency and market structure, a Manual on post-trade Transparency, and an Opinion on pre-trade waivers. The goal of these updates is to ensure a smooth transition and consistent application of MiFIR, complementing previous clarifications provided in the Interactive Single Rulebook (ISRB) earlier this year.

Release date: 2024-10-16
ESMA74-2134169708-6870



Climate Risk NGFS (Report)

Report on the Green Transition

The NGFS has published a report titled "The green transition and the macroeconomy: a monetary policy perspective." It examines how macroeconomic factors like inflation and output may be influenced by the transition to net-zero emissions. The reports contains several elements such as climate change mitigation policies, innovations in green technologies, and shifts in preferences. The report highlights the economic impacts of green investments and the uncertainties of the transition, insisting on the importance for central banks to understand these effects to adjust monetary policy accordingly.

Release date: 2024-10-21
ngfs.net



Supervision ESMA/ECB/EC (Press Release)

Next steps for the transition to T+1 governance

The ESMA, DG FISMA, and ECB-DG MI have published a joint statement outlining the next steps towards shortening the securities settlement cycle in the EU from T+2 to T+1, following North America's lead. While the move offers potential benefits, including risk reduction, cost savings, and enhanced efficiency, challenges remain, especially concerning harmonization and modernization. EU stakeholders favour legal amendments to mandate a coordinated transition. To ensure a smooth shift, the authorities will accelerate technical preparations and establish a governance structure involving stakeholders from the financial industry.

Release date: 2024-10-15
ESMA74-2119945925-2085



Supervision

Securitisation Framework Commission (Consultation Paper)

The functioning of the EU securitisation framework

The European Commission has published a consultation seeking feedback on the EU securitisation framework, aiming to revive the market and improve its functioning. The consultation focuses on various aspects, including: the effectiveness of the framework and impact on SMEs, the scope of application of the Securitisation Regulation; due diligence requirements; transparency requirements; supervision of the Securitisation Regulation, examining current practices and potential future approaches. The consultation also requests feedback on the STS standard and on its effectiveness and potential ways to increase its use and the prudential framework.

Release date: 2024-10-29
Consultation End: 2024-11-29
eba.europa.eu



Policy Agenda ESMA (Work Programme)

ESMA's 2025 Work Programme

The ESMA has published its 2025 Annual Work Programme, reaffirming its commitment to resilient, transparent, and sustainable financial markets. In 2025, the ESMA will focus on making European capital markets more efficient and attractive while supporting the creation of the European Savings and Investment Union. Key priorities include policy work to implement mandates from the last legislative cycle and new mandates like the European Green Bonds and ESG Rating Providers Regulations. The ESMA will also develop technical standards following EMIR 3 and select the first Consolidated Tape Provider to enhance market transparency.

Release Date: 2024-10-01
[ESMA22-50751485-1488](https://www.esma.europa.eu/press-rel/2024/1488)



Policy Agenda ESAs (Work Programme)

ESAs 2025 Work Programme

The ESAs have published their 2025 Work Programme. In 2025, they will focus on collaboration to address cross-sectoral risks, promote sustainability, and strengthen financial entities' digital resilience. Key initiatives include: providing guidance on sustainability disclosures, overseeing critical ICT third-party providers, monitoring financial conglomerates, and promoting coordination among national innovation facilitators. The ESAs will also address cross-sectoral matters like retail financial services, investment products, and securitization.

Release date: 2024-10-07
[JC-2024-27](https://www.esa.europa.eu/press-rel/2024/27)



Reporting & Disclosure

EMIR EBA (Opinion)

Opinion on EMIR 3

The EBA, in cooperation with the ESMA and EIOPA, issued a no-action letter stating that competent authorities should not prioritize processing initial margin model authorization applications under EMIR 3 until key regulatory deliverables (draft RTS on IMMV and guidelines on application/authorization process) are in place. The letter outlines a registration process and required information for applications, but delays prioritization due to missing key requirements in the application and authorization process, and assessment of model changes.

Release date: 2024-12-17
[EBA/OP/2024/09](https://www.eba.europa.eu/press-rel/2024/09)



EMIR ESMA (Consultation Paper)

Conditions of the Active Account Requirement under EMIR 3

The ESMA has published a Consultation Paper on the Active Account Requirement (AAR) introduced under EMIR 3. The AAR mandates EU counterparties in specific derivatives to maintain operational and representative active accounts at EU-authorized CCPs. The ESMA seeks feedback on key elements, including operational conditions for active accounts, obligations for highly active counterparties, and compliance reporting. The ESMA aims to submit the final draft RTS within six months of EMIR 3's enactment.

Release date: 2024-11-20
Consultation End: 2025-01-27
[ESMA91-1505572268-3856](https://www.esma.europa.eu/press-rel/2024/1505572268-3856)



EMIR Commission (Regulation)

EMIR 3 Published in the Official Journal

The Official Journal of the EU has published the so called EMIR 3 regulation with the aim at mitigating excessive exposures to third-country CCPs and enhancing the efficiency of EU clearing markets. The new regulation amends the EMIR, the CRR and the MMF regulations.

Release date: 2024-12-04
Application Date: 2024-12-24
[EU 2024/2987 O](https://eur-lex.europa.eu/eli/reg/2024/2987/oj)



EMIR Council (Press Release)

Council adopts updated rules for EU clearing services

The Council of the EU has announced that it has adopted revised rules for clearing services under EMIR, aimed at enhancing the EU's clearing landscape. These changes streamline procedures, strengthen CCP supervision, and mandate market participants to maintain active accounts at EU CCPs, reducing reliance on non-EU systemic CCPs. The updated rules support the EU's financial stability and strategic autonomy while deepening the capital markets union.

Release date: 2024-11-19
[consilium.europa.eu](https://www.consilium.europa.eu/press-rel/2024/1119)



Climate Risk

Taxonomy Regulation

Commission (FAQs)

Set of FAQs on the Taxonomy Regulation

The European Commission has published FAQs to support the implementation of the EU Taxonomy, a system for classifying sustainable economic activities. Aimed at simplifying use and reducing administrative burdens, the FAQs clarify taxonomy requirements, "do no significant harm" (DNSH) criteria, and reporting obligations under the Climate and Environmental Delegated Acts. Additional resources include a factsheet, and the EU Taxonomy navigator.

Release date: 2024-11-29

finance.ec.europa.eu



Climate Risk

ESAs/EBA (Report)

Fit-for-55 climate scenario analysis

The ESAs together with the ECB have published the report on the "Fit-For-55" climate scenario analysis and found that transition risks alone are unlikely to destabilize the EU financial system. However, when combined with adverse macroeconomic shocks, they could significantly increase financial institutions' losses, potentially disrupting the green transition. The analysis examined three scenarios over an eight-year period, revealing limited losses under baseline conditions but substantial impacts under adverse scenarios, particularly for investment funds.

Release date: 2024-11-29

[ESA/2024/21](https://www.esa.europa.eu/ESAs/2024/21)



Climate Risk

SFDR

ESAs (Report)

Principal Adverse Impact disclosures under the SFDR

The ESAs have published their third annual report on Principal Adverse Impact disclosures under the SFDR. This report reviews disclosures at both entity and product levels, highlighting the environmental and social impacts of financial institutions investments and the actions taken by banks, asset managers, insurers, investment firms, and pension funds to mitigate these impacts. Findings indicate improved accessibility and quality of PAI disclosures, with some NCAs reporting enhanced compliance.

Release date: 2024-10-30

[JC2024-68](https://www.esa.europa.eu/ESAs/2024/68)



Climate Risk

NGFS (Report)

Climate change, the Macroeconomy and Monetary Policy

The NGFS has published a report summarising findings from recent NGFS publications on the macroeconomic effects of climate change. The report covers the impacts of physical climate hazards, the green transition, and climate macroeconomic modelling. It offers guidance to central banks on incorporating climate-related risks into economic modelling and monetary policy frameworks.

Release date: 2024-10-29

[ngfs.net](https://www.ngfs.net)



Climate Risk

NGFS (Report)

Synthesis report on the greening of the financial system

For the COP29, the NGFS has published a Synthesis Report on the Greening of the Financial System, which provides a comprehensive view of climate finance, focusing on aligning the financial sector with global climate goals. The report outlines three pillars essential for a green financial system: a unified understanding of climate goals, expanded green financial instruments, and robust regulatory frameworks. While progress is evident, the report stresses that public and private efforts must intensify to fully achieve a sustainable financial system aligned with the Paris Agreement.

Release date: 2024-11-14

[ngfs.net](https://www.ngfs.net)



Climate Risk

NGFS (Report)

Long-term scenarios for central banks and supervisors

The NGFS has published the fifth edition of its long-term climate macro-financial scenarios, aimed at assessing forward-looking climate risks. This release features an enhanced assessment of physical climate risks with a new damage function, revealing that GDP losses by 2050 could be two to four times greater than previously estimated. Updated with recent economic data and climate commitments, the scenarios provide central banks and financial supervisors with improved tools to analyze climate impacts on the economy.

Release date: 2024-11-05

[ngfs.net](https://www.ngfs.net)



Climate Risk

NGFS (Handbook)

Climate Modelling Handbook

The NGFS has published its Climate Modelling Handbook, aimed at guiding central banks in integrating climate change impacts into their macroeconomic models. As climate change and the transition to net zero increasingly influence both short- and long-term economic outcomes, this handbook offers practical approaches for central banks at various stages of development. It addresses existing challenges in adapting current models and explores new methodologies for accounting for physical and transition impacts. This publication is the final report in a series focusing on the intersection of climate change and monetary policy.

Release date: 2024-10-24

[October 2024](https://www.ngfs.net)



Market Environment

Supervision

IOSCO (Report)

Principles for the Regulation and Supervision of Commodity Derivatives Markets

The IOSCO has published a report on its targeted review of five principles for regulating and supervising commodity derivatives markets. The selected principles (9, 12, 14, 15, and 16) focus on addressing market volatility, improving transparency in OTC derivatives, and ensuring orderly market functioning. The report offers recommendations to strengthen the market resilience and confirms IOSCO's plans for further work in the OTC markets domain. This initiative highlights IOSCO's commitment to enhancing the stability and effectiveness of commodity derivatives markets.

Release date: 2024-11-25

[FR/11/24](#)



Risk Management

EMIR

Council (Directive)

Council publishes text of amending Directive under EMIR 3

The Council of the EU has published the draft Directive amending the UCITs, CRD, and 2019/2034 Directives to address concentration and counterparty risks in centrally cleared derivative transactions. This amendment aligns with new clearing requirements under the revised EMIR 3.

Release date: 2024-11-19

[2022/0404\(COD\)](#)



Data Management

MiFIR

ESMA (Consultation)

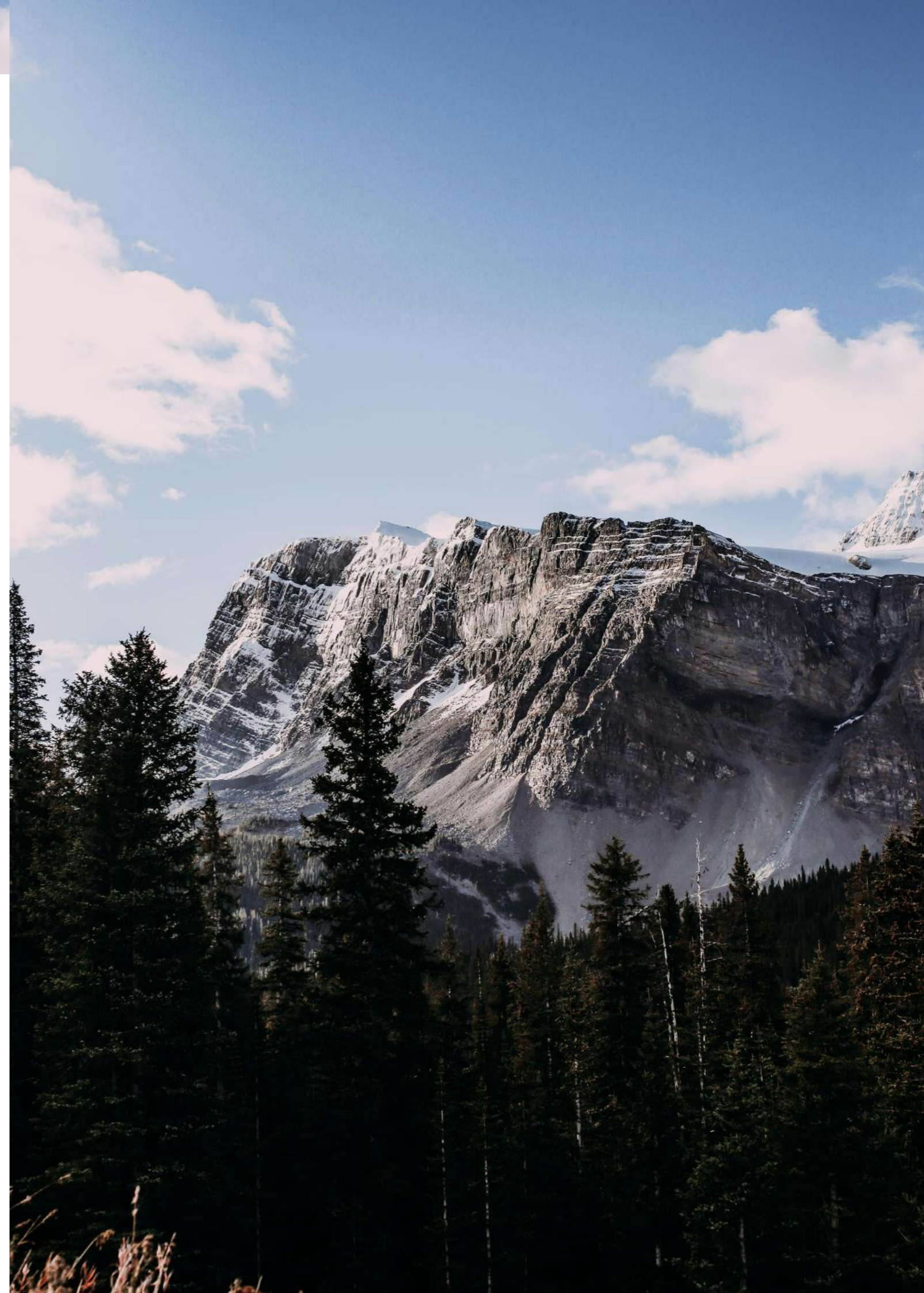
ESMA launches new consultations under the MiFIR Review

The ESMA has published a consultation paper seeking feedback on proposed changes to transaction reporting and order book data regulations under MiFIR. These changes aim to enhance information available to stakeholders by simplifying and harmonizing reporting requirements, ultimately reducing the reporting burden for market participants. The consultations target Market Participants, Trading Venues, and Investment Firms National Competent Authorities.

Release date: 2024-10-03

Consultation End: 2025-01-03

[ESMA12-21218442653745](#)



Finalyse Partners



Benoît Leman
Managing Partner
benoit.leman@finalyse.com



Silvio Santarossa
Partner
Risk Advisory Services
silvio.santarossa@finalyse.com



Thomas Gillet
Partner
Risk Advisory Services
thomas.gillet@finalyse.com



Kalender Can Soypak
Partner
Risk Advisory Services
can.soypak@finalyse.com



Marc-Louis Schmitz
Partner
Managed Services
marc-louis.schmitz@finalyse.com



Ali Bilge
Partner
Valuation Services
ali.bilge@finalyse.com

Finalyse offices

Amsterdam

Parktoeren – Van Heuven Goedhartlaan
1181LE Amstelveen
+31 20 808 36 28

Budapest

Széchenyi István tér 7-8
1051 Budapest
+36 1 354 18 90

Luxembourg

12 rue Jean Engling Bte 9B
1466 Luxembourg
+352 27 40 1757 (Consultancy)
+352 260 927 (Valuation services)

Warsaw

Al. Jana Pawla II 23,
00-854 Warszawa
+48 22 653 85 93

Brussels

"The Artist", Avenue des Arts 9
1210 Brussels
+32 2 537 43 73

Dublin

Upper Pembroke Street 28-32
D02 EK84 Dublin
+353 87 357 4925

Paris

13-15 Rue Taitbout
75009 Paris
+33 1 72 71 25 63

General Requests

+32 2 537 43 73
info@finalyse.com

Risk Advisory Services for Banking

banking@finalyse.com

Risk Advisory Services for Insurance

insurance@finalyse.com

Valuation Services

valuation@finalyse.com

