



Finalyse

REGULATORY BRIEF  
SEPTEMBER 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: 1st July - 31 August 2025

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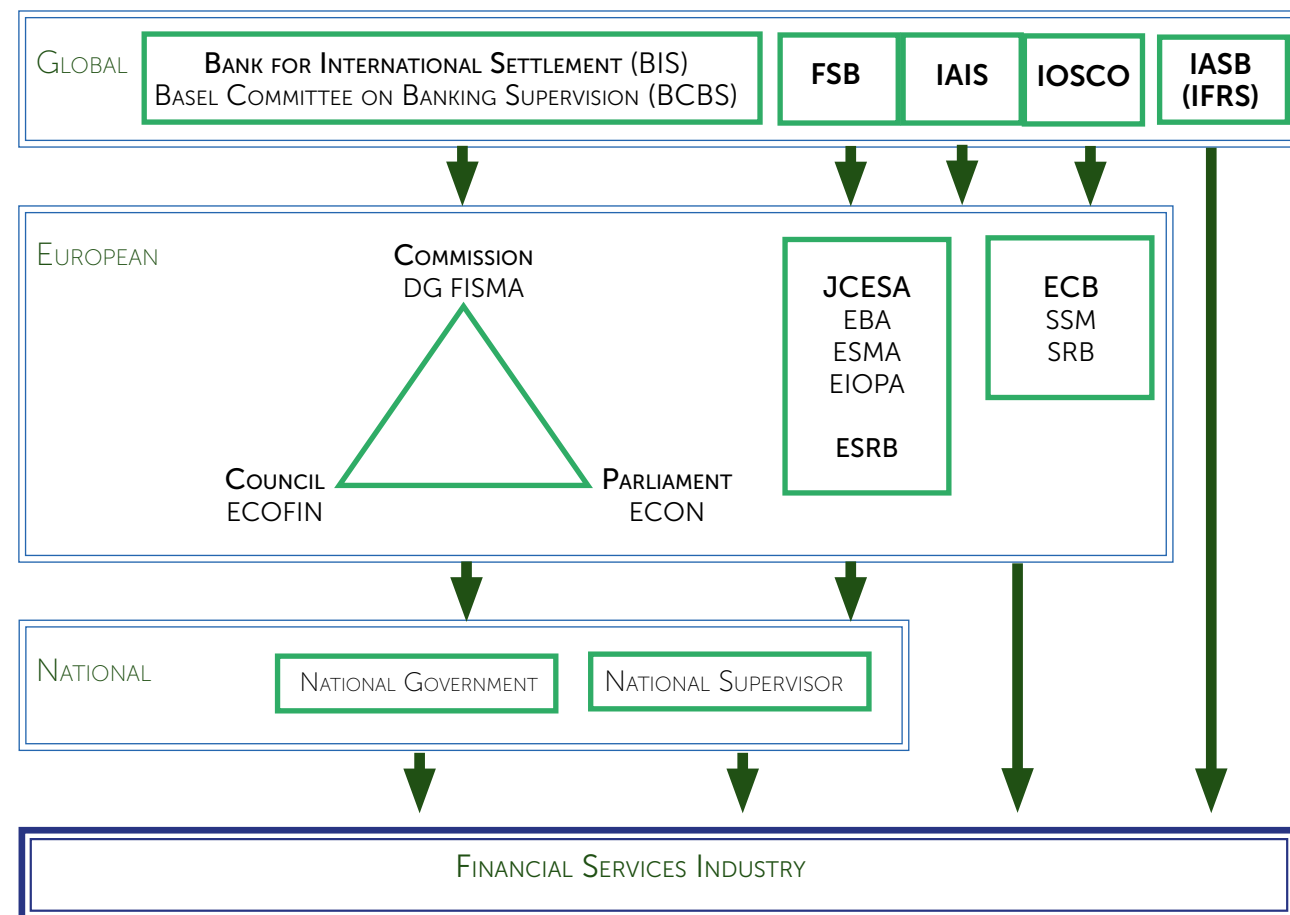
## Abbreviations

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 for 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 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

### Supervision ECB (Guide)

*ECB Updates Guide on Internal Models*

The ECB has published an update to its guide to internal models, introducing a new section on machine learning to clarify expectations for its use. The credit risk chapter now outlines the responsibilities of senior management in preparing internal model applications for ECB submission. Market risk is covered in two separate chapters under CRR2 and CRR3, reflecting delays in the basel standards implementation regarding the FRTB. The guide also expands on counterparty credit risk, detailing how to model trade risks, exposure changes, and maturity updates in line with the CRR3.

*Release date: 2025-07-29*

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



## Key Sector Developments

### 1. EBA CONSULTATION — DEFINITION OF DEFAULT UNDER CRR

The EBA has launched a public consultation on proposed amendments to its Guidelines on the definition of default under the CRR. The consultation seeks to refine key elements of the framework while maintaining consistency and sound risk management practices.

Among the proposals, the EBA suggests retaining the 1% threshold for net present value (NPV) loss in debt restructuring. This threshold is intended to balance supervisory flexibility with comparability across institutions. At the same time, the Authority is examining the potential for a shorter probation period for certain restructured exposures, although this measure has not been included in the current draft.

In addition, the EBA proposes to extend the exceptional treatment of past-due days in non-recourse factoring arrangements from 30 to 90 days, reflecting the specific characteristics of such products. The consultation provides stakeholders with an opportunity to comment on these adjustments, which are expected to support both prudential soundness and practical application of the default framework.

### 2. ESMA CONSULTS ON NEW CLEARING THRESHOLDS UNDER EMIR 3

The ESMA has launched a consultation on revised clearing thresholds under EMIR 3, marking a significant step in the implementation of the updated derivatives framework. The consultation, opened in April 2025, seeks industry feedback on the proposed calibration methodology for determining which non-financial counterparties will be subject to mandatory clearing requirements.

The proposed thresholds reflect ESMA's risk-based approach, with adjustments intended to capture systemic risk while avoiding disproportionate burdens on smaller market participants. Once finalized, these thresholds will be a critical component of EMIR 3's enhanced risk management framework, which aims to strengthen financial stability across European derivatives markets.

Market participants have until mid-2025 to submit their responses, after which ESMA is expected to publish final technical standards by Q3 2025. This timeline provides derivatives users with a narrow window to assess potential impacts and adjust their compliance strategies before the anticipated implementation date in early 2026.

### 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

**Build for speed: why MGAs are winning the insurance race**

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

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





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# Banking

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- p. 25 Recovery & Resolution, Market Environment



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](#)
- 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](#)

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](#)

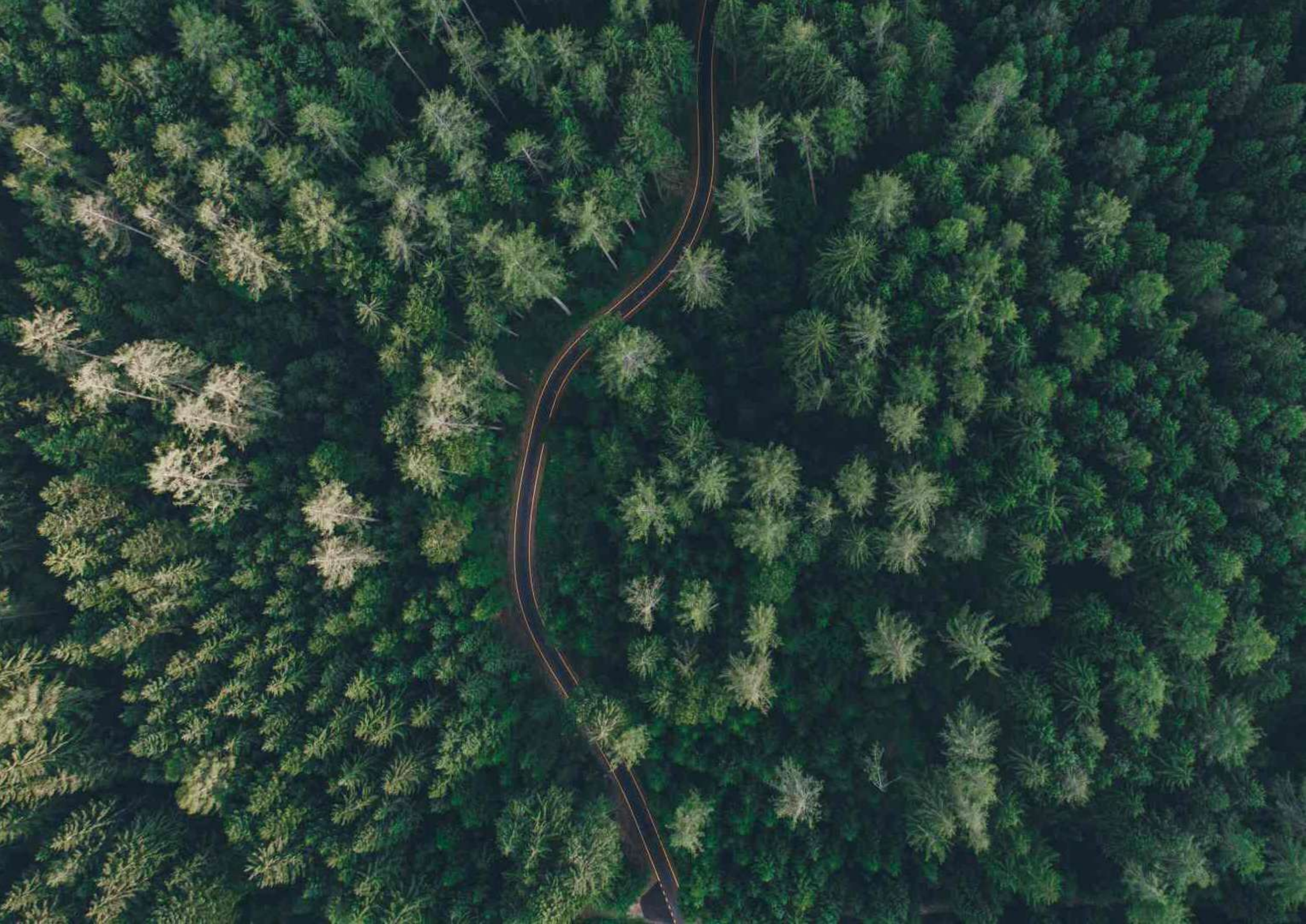
2030 Q4

- 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 (RTS)

*Final draft RTS on off-balance sheet items conversion factors*

The EBA has published its final draft RTS on the allocation of off-balance sheet items under the CRR. The RTS establish criteria to classify items not covered by Annex I of the CRR, based on factors such as financial covenants, non-credit related conditions, and the obligor's discretion to draw on commitments. They also set out four constraints that may limit banks' ability to cancel unconditionally cancellable commitments, linked to risk management, commercial, reputational, and litigation considerations. A notification process via the COREP framework is also introduced.

Release date: 2025-08-18

[EBA/RTS/2025/06](#)



## CRR

### EBA (RTS)

*Draft RTS on Operational Risk Losses*

The EBA has published three final draft RTS on operational risk losses as part of the EU Banking Package. These RTS introduce a common taxonomy for recording operational risk events, clarify when institutions may be exempted from calculating annual operational risk losses due to disproportionate burdens, and set rules for adjusting loss data sets in cases of mergers or acquisitions. The taxonomy aligns with international standards, industry best practices, and the DORA, while also integrating ESG-related attributes.

Release date: 2025-08-04

[EBA/RTS/2025/03](#)



## CRR

### EBA (RTS)

*Draft RTS on equivalent mechanism for unfinished property*

The EBA has published its final technical standards defining what counts as an "equivalent legal mechanism" for unfinished property exposures under the Standardised Approach for credit risk. These standards clarify the conditions under which properties under construction can be recognised in capital requirements, setting clear rules for protection providers and guarantee terms. In response to feedback, the approach has been broadened to acknowledge existing national guarantee schemes, provided they meet common safeguards on creditworthiness and enforceability.

Release date: 2025-08-06

[EBA/RTS/2025/05](#)



## CRR

### Commission (RTS)

*Conditions and Indicators to determine whether Extraordinary Circumstances have Occurred*

The OJ of the EU has published a Delegated Regulation supplementing the CRR. This regulation specifies the conditions and indicators the EBA will use to determine if extraordinary circumstances, as defined in Articles 325az(5) and 325bf(6) of the CRR3 have occurred. These articles allow Member State authorities to permit institutions to deviate from internal model requirements or apply a softer version of them in extraordinary circumstances. The Delegated Regulation establishes a framework with conditions and indicators for the EBA to use in identifying these extraordinary circumstances.

Release date: 2025-08-01  
Application Date: 2025-08-21

[EU\(2025/789\)](#)



# Risk Management

## Supervision

### ECB (Guide)

*ECB Updates Guide on Internal Models*

The ECB has published an update to its guide to internal models, introducing a new section on machine learning to clarify expectations for its use. The credit risk chapter now outlines the responsibilities of senior management in preparing internal model applications for ECB submission. Market risk is covered in two separate chapters under CRR2 and CRR3, reflecting delays in the basel standards implementation regarding the FRTB. The guide also expands on counterparty credit risk, detailing how to model trade risks, exposure changes, and maturity updates in line with the CRR3.

Release date: 2025-07-29

[ecb.europa.eu](#)



## Basel

### BCBS (Report)

*Banks' interconnections with non-bank financial intermediaries*

The BCBS has published a report on the connections between banks and non-bank financial intermediaries (NBFIs). The NBFI sector has grown significantly and encompasses entities like investment funds, insurance companies, and pension funds. Banks and NBFIs are interdependent through various services and activities, such as banks providing leverage and market-making to NBFIs, and NBFIs investing in bank securities. These interconnections expose both sectors to risks. The report uses case studies and scenarios to analyze the potential impact of NBFI failures on banks and financial stability, highlighting the need for detailed data to monitor these linkages.

Release date: 2025-07-10

[bis.org](#)



## CRR

### Commission (Consultation)

*Treatment of equity exposures incurred under legislative programmes in the CRR*

The European Commission has launched a public consultation on draft guidance regarding the treatment of equity exposures under legislative programmes, as outlined in Article 133(5) of the CRR. Stakeholders are invited to provide feedback especially on the definition of significant subsidies and guarantees, and the legislative programme register.

Release date: 2025-07-22  
Consultation End: 2025-09-08

[finance.ec.europa.eu](#)



## CRR

### Commission (RTS)

*Materiality Assessment for Changes to Alternative Internal Models and Modellable Risk Factors*

The European Commission has adopted a Commission Delegated 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 final draft 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: 2025-07-03

[C\(2025\)4338](#)





# Risk Management

## CRR EBA (Guidelines)

*Methodology to estimate and apply CCFs under the CRR*

The EBA has opened a public consultation on draft Guidelines for institutions' estimation and application of CCFs) under the CRR. These guidelines, part of the IRB repair program, aim to provide clear and consistent expectations for CCF estimation, aligning with existing guidance for Probability of Default and LGD. The EBA intends to introduce simplified approaches where suitable to facilitate efficient implementation while maintaining prudence. The consultation includes specific questions to gather feedback for robust yet less complex guidelines.

Release date: 2025-07-02  
Consultation End: 2025-10-15

[EBA/CP/2025/10](#)



## Basel Commission (RTS)

*RTS on specification of long and short positions*

The EU Commission has adopted 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. A simplified method has also been included, covering relatively simple instruments, such as fixed-rate bonds, floating-rate notes, stocks, forwards, futures, simple swaps and plain vanilla options.

Release date: 2025-07-01

[C\(2025\)4105](#)



## CRR3 EBA (Guidelines)

*Consultation paper amending GL on definition of default*

The EBA has launched a public consultation on draft amended Guidelines concerning the definition of default under the CRR. The EBA proposes to retain the 1% threshold for net present value (NPV) loss in debt restructuring, for flexibility, consistency, and strong risk management. While a shorter probation period for certain restructured exposures is being considered, it is not included in the draft. The EBA also suggests extending the exceptional treatment of past-due days from 30 to 90 in non-recourse factoring arrangements.

Release date: 2025-07-02  
Consultation End: 2025-10-15

[EBA/CP/2025/09](#)



## CRR3 EBA (Guidelines)

*Guidelines on ACD exposures to residential property under the SA of credit risk*

The EBA has published the final Guidelines on how banks should treat Acquisition, Development, and Construction (ADC) exposures to residential property under the CRR. These Guidelines allow a lower risk weight of 100% (instead of 150%) for ADC exposures that meet specific credit risk-mitigating requirements. The conditions are: 1) at least 50% of contracts are pre-sales with a 10% deposit, pre-leases with a deposit three times the monthly rate, or sale-and-lease contracts; and 2) the obligor has at least 25% equity at risk in the property's value upon completion. The second condition was revised downwards from 35% based on feedback and data.

Release date: 2025-07-01  
Application Date: 2025-07-01

[EBA/GL/2025/03](#)



# Climate Risk

## CRR3 EBA (Opinion)

*No-action letter on the application of ESG disclosure requirements*

The EBA has issued a no-action letter regarding ESG disclosure requirements. The letter follows the May 2025 consultation on draft RTS amending the EU Pillar 3 framework to include ESG risks, equity exposures, and shadow banking. Given ongoing legislative changes under the EU Omnibus Package and uncertainties around the final shape of the EU Taxonomy, the EBA advised that enforcement of certain ESG disclosure templates should not be prioritised until the new standards are adopted. This applies mainly to large listed institutions and others newly in scope under CRR.

Release date: 2025-08-06

[EBA/Op/2025/11](#)



## Climate Risk ECB (Press Release)

*ECB to adapt collateral framework to address climate-related transition risks*

The ECB has announced that it will adapt its collateral framework to address climate-related transition risks. A new "climate factor" will be introduced from the second half of 2026, reducing the value assigned to certain marketable assets issued by non-financial corporations depending on their exposure to climate-related risks. This measure aims to protect the Eurosystem from potential losses in collateral value during adverse climate shocks, enhance resilience in monetary policy implementation, and complement existing risk management tools. The calibration will consider climate stress test data, corporate climate scores, and asset maturity, and will be regularly reviewed as data and risk assessment methods evolve.

Release date: 2025-07-29

[ecb.europa.eu](#)



## CSRD Commission (Recommendation)

*Recommendation on voluntary sustainability reporting*

The EC has adopted a recommendation introducing a voluntary sustainability reporting standard for SMEs. Developed by EFRAG, this standard is meant to help SMEs that are not covered by the CSRD respond more easily to information requests from large companies and financial institutions. It also aims to improve SMEs' access to sustainable finance, strengthen their resilience, and enhance competitiveness. The current recommendation serves as a temporary measure until a formal delegated act on the voluntary standard is adopted, with the final content depending on legislative negotiations.

Release date: 2025-07-30

[C\(2025\)4984 Final](#)





# Governance

## CRD EBA (Consultation)

Revised Guidelines on internal governance

The EBA has launched a consultation on revised Guidelines on internal governance under the CRD. The updates incorporate changes from CRD VI, the DORA, diversity and remuneration benchmarking, and supervisory experience across the EU. Key revisions include clearer requirements for documented roles and duties of management, senior managers, and key function holders, as well as governance expectations for third-country branches.

Release date: 2025-08-07  
Consultation End: 2025-11-07


[EBA/CP/2025/20](#) 

# Stress Testing

## Supervision EBA (Report)

EBA publishes 2025 EU-wide Stress Test Results

The EBA has published the results of its 2025 EU-wide stress test, covering most of the banking sector across Europe. The exercise confirms that banks remain resilient even under a severe downturn scenario marked by geopolitical tensions, trade fragmentation, and supply shocks. While banks would face significant losses under stress, strong starting positions and income generation help them absorb the impact and maintain solid capital levels. The results also highlight vulnerabilities in credit and market risk, though banks have improved their ability to assess sector-specific effects. Overall, the outcome reassures on the sector's strength while underlining the importance of maintaining robust capital buffers.

Release date: 2025-08-01  
[eba.europa.eu](#) 

## Supervision EBA (Consultation)

POG Guidelines to consider products with ESG features and greenwashing risks

The EBA has launched a public consultation to revise its guidelines on product oversight and governance (POG) for retail banking products. The revisions are intended to prevent greenwashing and ensure financial institutions maintain high business conduct standards when offering products with ESG features. The consultation proposes specific adjustments to existing POG guidelines concerning the subject matter, internal control functions, target market, distribution channels, and information provided to distributors and manufacturers.

Release date: 2025-07-09  
Consultation End: 2025-10-09

[EBA/CP/2025/13](#) 


# Recovery & Resolution

## CRR3 EBA (Consultation)

EBA consults to amend its technical standards on own funds and eligible liabilities

The EBA has launched a public consultation to amend the EU Delegated Regulation concerning own funds and eligible liabilities. The primary proposed change is to shorten the processing time for applications to reduce own funds and eligible liabilities instruments under the CRR from four to three months, aiming to simplify processes and provide institutions with greater flexibility in capital planning. This initiative aligns with the EBA's 2021 commitment to monitor application procedures. Additionally, a simplified procedure for reducing MREL eligible liabilities for liquidation entities will be removed from the RTS, reflecting recent changes in the Level 1 text.

Release date: 2025-07-09  
Consultation End: 2025-10-09


[EBA/CP/2025/14](#) 

# Market Environment

## Market Trends EBA (Report)

Q1 2025 Risk Dashboard

The EBA has published its Q1 2025 Risk dashboard. The Dashboard shows that the EU/EEA banking sector remains steady and resilient. Banks kept strong capital positions while their balance sheets grew, helped by more investment in securities and modest increases in lending to households and small businesses. Asset quality stayed broadly unchanged, though the cost of risk climbed to its highest level in recent years. Despite narrower interest margins, banks maintained stable profitability thanks to growth in fee and commission income. Liquidity conditions softened slightly, but overall funding and deposits held firm, highlighting a sector that continues to show strength even as risk and funding pressures build.

Release date: 2025-07-30  
[Q12025](#) 





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# Insurance

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# 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

- 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](#)

## 2031

- Solvency II**  
Report  
Treatment of related credit institutions in the group Solvency Capital Requirement  
[Document release: tbd](#)



## Risk Management

### Solvency II

#### EIOPA (Press Release)

*First technical standards submitted to the EC after Solvency II review*

The EIOPA has submitted three draft technical standards and published revised guidelines to support the implementation of the reviewed Solvency II Directive. The measures cover the identification of insurance undertakings under significant influence or unified management, the criteria for assessing the relevance of cross-border activities, and updates to the list of regional and local authorities eligible for preferential capital treatment. In addition, the revised guidelines on undertaking-specific parameters streamline existing rules and remove outdated references without changing their substance. Once adopted by the European Commission, these measures will strengthen supervisory cooperation and improve the effectiveness of the Solvency II framework.

*Release date: 2025-07-14*

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



### Supervision

#### EIOPA (Opinion)

*EIOPA publishes Opinion on AI governance and risk management*

The EIOPA has published an Opinion to national supervisors clarifying how existing insurance-sector legislation applies to the use of AI systems. Building on the EU AI Act, which classifies life and health insurance risk assessment and pricing tools as high-risk, the Opinion explains how directives such as Solvency II and the IDD should be interpreted in this context. It does not introduce new rules but aims to ensure consistent supervisory practices across Member States

*Release date: 2025-07-03*

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



### IORPII

#### EIOPA (Opinion)

*Supervision of liquidity risk management of IORPs*

The EIOPA has published an Opinion on how to supervise the liquidity risk management of IORPs. The goal is to improve the stability of IORPs and the financial system, and better protect pension fund members, by enhancing the monitoring, assessment, and management of liquidity risks. The Opinion guides national supervisors to monitor and assess IORPs' liquidity risk exposures and management capabilities. It also calls for IORPs with significant liquidity risks to incorporate this into their overall risk management, including stress testing cash flows and maintaining adequate liquid asset buffers.

*Release date: 2025-07-10*

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



## Market Environment

### Climate Risk

#### EIOPA (EIOPA)

*Monitoring Exercise on the use of climate change scenarios in the ORSA*

*The EIOPA has published a public statement on a monitoring exercise assessing how European (re)insurers integrate climate change-related risks into their ORSA. The findings show notable progress, with most insurers now including both physical and transition climate risks in their ORSAs and increasingly using scenario analysis linked to strategic decisions. However, challenges remain, such as inconsistent approaches across jurisdictions, data limitations, and difficulties in extending analysis timeframes. Supervisory practices are still maturing, but national authorities are actively enhancing their capabilities.*

*Release date: 2025-07-23*

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



## Recovery & Resolution

### IRRDR

#### EIOPA (Consultation)

*Draft Guidelines on exclusions from group supervision*

The EIOPA has launched a public consultation on draft ITS related to standards specifying the procedures and the minimum set of standardized forms and templates that insurers must submit to resolution authorities for the preparation of resolution plans. These proposals are based on Solvency II reporting and national supervisors' experience, aiming to balance resolution authorities' information needs with insurers' reporting burden by requesting only necessary information not already available.

*Release date: 2025-07-22*

*Consultation End: 2025-10-31*

[EIOPA-BoS-25/286](https://www.eiopa.europa.eu)



## Reporting & Disclosure

### Solvency II

#### EIOPA (Consultation)

*Supervisory reporting and public disclosure requirements under Solvency II*

The EIOPA has launched a consultation on amending supervisory reporting and public disclosure requirements under Solvency II to reduce the reporting burden on (re)insurance undertakings. This initiative incorporates changes from the Solvency II review and aligns with the European Commission's goal of reducing reporting burdens. The revisions aim to streamline requirements by reducing template frequency, deleting some annual templates, applying proportionality principles, and introducing technical simplifications, while also addressing identified errors.

*Release date: 2025-07-10*

*Consultation End: 2025-10-10*

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



### IRRDR

#### EIOPA (Consultation)

*Functioning of Supervisory Colleges under the IRRDR*

The EIOPA has launched a public consultation on draft RTS related to supervisory colleges under the IRRDR. The draft RTS establish criteria for their formation and outline their operational procedures. These standards cover collaboration on developing resolution plans, assessing group resolvability, and addressing impediments to resolvability. Additionally, the RTS define governance principles for group-level resolutions.

*Release date: 2025-07-22*

*Consultation End: 2025-10-31*

[EIOPA-BoS-25/285](https://www.eiopa.europa.eu)



## Supervision

### Solvency II

#### EIOPA (Consultation)

The EIOPA has launched a public consultation on revised Guidelines for the SREP, used by supervisors to assess insurers' risks and controls. The updates aim to clarify existing instructions based on the Solvency II review and incorporate emerging risks like sustainability, IT/cyber, and SupTech. The proposed changes, which are targeted and limited to support Solvency II implementation and supervisory convergence, also include new sections on business model analysis, joint on-site inspections, early intervention, pre-emptive recovery planning, and conduct of business supervision.

*Release date: 2025-07-02*

*Consultation End: 2025-09-24*

[EIOPA-BoS-25-229](https://www.eiopa.europa.eu)







# Asset Management

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Asset Management Regulatory Timeline



# 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](#)





## Cross-Sector

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# 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 RST  
Most of the provisions of the EU AI Act will apply  
[Application Date :02 Aug 2026](#)

## 2026 Q4

**CSDR**  
Draft RST  
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](#)



# Climate Risk

## Climate Risk NGFS (Technical Guide)

*Integrating adaptation and resilience into transition plans*

The NGFS has published an input paper on integrating adaptation and resilience into climate transition plans, prepared at the request of the G20 Sustainable Finance Working Group. The paper stresses that while emissions reduction remains vital, adaptation is equally necessary to address growing physical risks and unlock investment opportunities. It outlines how existing transition plan frameworks can be expanded to include adaptation, using governance, strategy, engagement, and metrics as key building blocks. To support institutions at different stages, it proposes a maturity pathway for developing adaptation targets.

Release date: 2025-07-22  
[ngfs.net](https://ngfs.net)



## Climate Risk NGFS (Technical Note)

*Notes related to Transition Plans on climate target setting and climate scenario analysis*

The NGFS has published two new notes to enhance the understanding and use of transition plans for managing climate-related financial risks. These notes aim to help financial institutions develop robust transition plans and targets, integrating them with business strategies and risk management. Additionally, they explore how climate scenario analysis can inform transition planning and vice versa, ultimately supporting the financial system's resilience and the transition to a low-carbon economy.

Release date: 2025-07-16  
[ngfs.net](https://ngfs.net)



## Climate Risk FSB (Report)

*FSB Roadmap for Financial Risks from Climate Change: 2025 update*

The FSB has published a report outlining its medium-term approach to addressing climate-related financial risks, while pausing further regulatory or supervisory initiatives in this area. The decision reflects ongoing divisions among member jurisdictions, particularly pressure from the United States to limit the FSB's role in climate risk regulation. The report commits to continued monitoring and data coordination but confirms that any new policy work on climate risks will require explicit inclusion in future annual work programmes. The FSB encourages jurisdictions to advance their own climate risk frameworks in the meantime.

Release date: 2025-07-14  
[P140725-2](https://p140725-2)



# Climate Risk

## Green Bond Regulation ESMA (Consultation)

*Consultation on Technical Standards under the European Green Bond Regulation*

The ESMA has published a Consultation Paper on the remaining Regulatory Technical Standards for external reviewers under the European Green Bonds Regulation, aiming to enhance investor protection, supervisory convergence, and sustainable finance. The paper outlines standards for ensuring that external reviewers have appropriate systems, resources, expertise, and controls, as well as reliable information sources and proper application and notification processes.

Release date: 2025-04-07  
Consultation End: 2025-05-30  
[ESMA84-858027815-176](https://esma84-858027815-176)



## CSRD Commission (Press Release)

*EU Parliament approves CSRD stop-the-clock Directive*

The EU Parliament has adopted the 'stop-the-clock' Directive (part of Omnibus I), delaying the CSRD application by two years for large companies and listed SMEs not yet reporting. It also postpones the Corporate Sustainability Due Diligence Directive transposition deadline and initial phase application by one year. The Directive now awaits formal approval from the Council, which endorsed the same text on March 26, 2025.

Release date: 2025-04-04  
[europa.eu](https://europa.eu)

# Supervision

## Supervision ESAs (Report)

*ESAs publish Joint Annual Report for 2024*

The Joint Committee of the ESAs has published its 2024 Annual Report, outlining their work completed in the past year. The ESAs continued to monitor emerging risks for financial markets and the financial system. In 2024, cross-sectoral focus areas included joint risk assessments, sustainable finance, operational risk and digital resilience, consumer protection, financial innovation, securitisation, financial conglomerates, and the European Single Access Point. Key deliverables included policy products for the implementation of the DORA and ongoing work related to the SFDR.

Release date: 2025-04-16  
[JC202511](https://jc202511)

## AI Act Commission (Consultation)

*EC consults on a Cloud and AI Development Act*

The EC has launched a public consultation on the proposed Cloud and AI Development Act, part of the AI Continent Action Plan. The initiative aims to address limitations in EU data centre capacity and the lack of competitive, large-scale EU cloud computing services. The Commission seeks feedback from various stakeholders, including financial institutions, on their investments, the factors preventing investment in new infrastructure, ROI expectations, challenges for investors, and ways to attract more private investment in computing infrastructure.

Release date: 2025-04-09  
Consultation End: 2025-06-04  
[ec.europa.eu](https://ec.europa.eu)





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

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

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

**Dublin**  
Upper Pembroke Street 28-32  
D02 EK84 Dublin  
+353 1 608 7705

**Luxembourg**  
4, Rue Pierre de Coubertin  
L-1358 Luxembourg  
+352 27 40 1757 (Consultancy)  
+352 260 927 (Valuation services)

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

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

**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



