

Compliance Institute January Newsletter

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1. Regulatory Reflections (2025) and Regulatory Outlook (2026)

Regulatory Reflections 2025

The year 2025 commenced with the Central Bank of Ireland publishing their revised structure which included previously signalled changes to their operating model with a Sectoral approach to supervision now being taken. In addition, they issued a report on their new Supervisory approach with PRISM, the risk-based supervision framework, no longer being used and additional supervision for the most significant firms.

The Central Bank's Regulatory and Supervisory Outlook report was then published in February laying out these priorities: launching the revised Consumer Protection Code (CPC), implementation of the Markets in Crypto Assets Regulation (MiCA), continuing to embed the Individual Accountability Framework, and enhancing operational resilience through the effective implementation of Digital Operational Resilience Act (DORA). The Central Bank also worked with the Department of Finance to implement the National Payments Strategy, the Financial Literacy Strategy and the recommendations from the 2023 Funds Review.

In August, the Central Bank announced targeted but significant changes to the regulatory lending framework for credit unions, which will allow the sector increased scope to provide house and business lending to their members.

The first Innovation Sandbox with the theme "Combatting Financial Crime" was held under the Central Bank's Innovation Sandbox Programme which seeks to inform the early stage development of selected innovative initiatives which promote better outcomes for consumers and the financial system. The theme for their current Sandbox Programme is "Innovation in Payments".

Furthermore, the Central Bank launched consultations to modernise UCITS and AIF rules and in addition launched two consultation papers in December regarding their responsibilities under the Access to Cash bill and finally, have just opened a consultation on the application of the Consumer Protection Code to Credit Unions in December 2025.

Other national developments of note were amendments to the Fitness and Probity regime including the launching of the Fitness and Probity Standards 2025, the introduction of sector specific ML/TF Risk Evaluation Questionnaire (AML REQ) and the Access to Cash Act 2025.

The Artificial Intelligence Act Roadmap was approved and the National Artificial Intelligence Office Bill 2026 introduced, and the Department of Finance has published the Action Plan for Insurance Reform.

In Europe, the implementation and go-live of the Digital Operational Resilience Act dominated early regulatory updates with finalised technical standards and guidance . The final policy documents for MiCA (e.g. CASP knowledge and competence) were published in addition to AI Act guidance.

Whilst in Financial Crime Compliance, Bruna Szego was appointed as head/chair of AMLA, the EU's new anti-money laundering authority and similarly the Board was appointed which included Derville Rowland former Deputy Governor, Consumer and Investor Protection at the Central Bank of Ireland, as AMLA became operational throughout the year.

Simplification was the key theme of regulatory updates from Europe, in particular the speed with which the Sustainability Omnibus was passed through the legislative process, significantly reforming the Corporate Sustainability Reporting Directive and the Corporate Sustainability Due Diligence Directive and the adoption of Voluntary Sustainability Reporting Standard for SMEs.

The strategy for the savings and investments union (SIU) was adopted which succeeds the Banking Union and Capital Markets Union, and the Central Securities Depositories Regulation Refit (which aims to fine-tune and clarify the CSDR framework) resulted in issuance of further guidance and standards.

The Governing Council of the European Central Bank decided to move to the next phase of the digital euro project and a new Digital Package seeking to simplify EU digital rules was published comprising a Digital Omnibus, a Data Union Strategy and European Business Wallets.

Finally, the European Commission has launched a market integration package to fully integrate EU financial markets. It is a central component of the Savings and Investments Union (SIU) strategy.

Regulatory Outlook 2026

In their recently published roadmap to “deliver a more effective and efficient regulatory framework” the Central Bank of Ireland noted what they will be working on:

- A major compatibility review of insurance regulations to eliminate duplication with Solvency II reforms;
- In addition to international work, review domestic banking rules that pre-date CRD V/CRR;
- Following simplification of the [Credit Union Lending Framework](#), updating the Credit Union Handbook
- Changes to the AIF rulebook and UCITS regulation and a full review of the Fund Service Provider Framework;
- Updated cross-sectoral guidance on operational resilience, outsourcing and governance.
- A new Regulatory Impact Assessment Framework

They further noted that they will establish a Gatekeeping Division to further enhance consistency, transparency and timeliness across authorisations and Fitness & Probity processes and they will be detailing further the requirement for Payment and E-Money Firms to appoint a designated responsible person for the role of PCF-56 Head of Safeguarding.

Ireland must transpose the AIFM II Directive by 16th of April 2026 and must prepare for T+1 Settlement (the EU’s move to a 24-hour settlement cycle for EU Securities) through the amended Central Securities Depositories Regulation (the CSDR refit).

In Europe, forthcoming regulatory changes to monitor include the amended Payment Services Directive (PSD3) and the related new Payment Services Regulation; the Digital Omnibus as it proceeds through the EU’s legislative process, and finally the revised Sustainable Finance Disclosure Regulation (SFDR 2.0) as it also proceeds through the legislative process. Finally, the ESG Ratings Regulation becomes fully applicable from 2nd July 2026.

National dates to note in 2026 are:

1. The Central Bank are replacing the current AML/CFT Risk Evaluation Questionnaire (REQ) with sector specific REQ for which revised templates and guidance have been published and 2024 are due as follows:
 - Credit institutions (submission date 27th of February 2026),
 - Payment institutions/electronic money institutions (submission date 13th of February 2026), and
 - Investment firms (submission date 30th of June 2026)

2. The Central Bank is currently planning on collecting the DORA Register of Information between February and March 2026 - further communications will issue to firms towards the end of January/early February 2026.

3. The Regulatory and Supervisory Outlook report due for publication in February 2026 which will outline the Central Bank's regulatory and supervisory priorities for 2026.

4. PSD2 Operational and Security Risk Return is due 31/03/2026 - see guidance here: [Guidance on PSD2 Operational and Security Risk Assessment Return](#)

5. SEPA reporting: Firms providing SEPA Instant Payments will be required to submit a new return, the "SEPA Instant Payment Transfers Individual" via the Central Bank Portal by 9th of April 2026. The first submission of information from PI/EMIs requires aggregated data for the periods 26 October 2022 – 31 December 2022 and the 2023 calendar year.

2. Executive Summary (December)

The Central Bank of Ireland published several sectoral Newsletters (Credit Union, Payment and E-Money, Financial Crime, Insurance) during December, in addition to the Retail Intermediary Times published in November.

They also published their “Transforming Regulation and Supervision” report which sets out their approach to a more effective and efficient regulatory and supervisory framework.

A notable publication from the European Central Bank was their latest Supervisory blog which discussed reforming banking supervision, in conjunction with the ECB’s publication of the recommendations of the Governing Council’s High-Level Task Force on Simplification to simplify the European regulatory, supervisory and reporting framework.

Also in Europe, the Sustainability Omnibus, reforming the Corporate Sustainability Reporting Directive and the Corporate Sustainability Due Diligence Directive, continues through the legislative process at pace. The European Commission has launched a market integration package to fully integrate EU financial markets and the Council and the Parliament eventually found agreement on an updated retail investment framework.

Nationally, consultations have been launched by the Central Bank on the implementation of their Access to Cash bill responsibilities and another, as previously signalled, on the application of the Consumer Protection Code to Credit Unions. A “Dear CEO” was issued to electronic money (e-money) firms on December 18th.

In Europe, the European Insurance and Occupational Pensions Authority has launched seven new public consultations to support the implementation of the EU’s Insurance Recovery and Resolution Directive (IRRDR).

AMLA, the EU’s new Anti Money Laundering Authority has also published its first consultation on the Draft Implementing Technical Standards on cooperation within the AML/CFT supervisory system for the purposes of direct supervision under Article 15(3) of Regulation (EU) 2024/1620 (“AMLAR” - the regulation establishing AMLA).

Finally, a regulatory fine of note this month is the Central Bank of Ireland enforcement action against a former Chief Executive Officer (CEO) and Executive Director of RSA Insurance Ireland DAC.

3. December Regulatory Updates (notable)

Ireland

Central Bank of Ireland

Publications (*Insurance Newsletter, Financial Crime Bulletin, Payment & E-Money Newsletter, Transforming Regulation & Supervision Report, Credit Union News*)

Insurance Newsletter: The Central Bank of Ireland have published their quarterly Insurance Newsletter with supervisory updates, insurance updates and central bank updates including:

- Thematic Assessment of Operational Resilience in the Domestic Life Sector
- Thematic Review of AML/CFT Governance in Cross Border Life Firms
- Thematic Review of Climate Change Materiality Assessments
- US Social Inflation Survey – Key Findings
- Stakeholder Engagement Update
- Changes to Insurance Compensation Fund Levy
- EIOPA and EU Legislative Updates

Read it here: [Insurance Newsletter - December 2025](#)

Financial Crime Bulletin: The Central Bank of Ireland has published the first edition of its Financial Crime Bulletin. The purpose of this biannual bulletin is to provide an update on key regulatory and supervisory developments in the areas of Anti-Money Laundering, Combatting the Financing of Terrorism, Financial Sanctions, and Fraud. In this first edition, updates are provided on:

- Risk Assessment
- Crypto & Payments
- Fraud and Scams
- Financial Sanctions
- EU AML Developments

Read it here: [Financial Crime Bulletin - Issue 1 December 2025](#)

Payment and E-Money Newsletter: The Central Bank of Ireland have published their first Payment and E-Money Newsletter to provide updates on key regulatory developments in the Payment and E-Money sector and to signpost relevant upcoming changes. It includes:

- Guidance on the process for Qualifying Holding Applications
- Observations from the thematic inspection on safeguarding to assess the operational effectiveness of firms' safeguarding processes and control infrastructure
- Updates on their review examining customer experience through the lens of customer complaints across firms in certain sectors

Read it here: [payment-and-e-money-newsletter---issue1---december-2025.pdf](#)

Transforming Regulation and Supervision Report: The Central Bank of Ireland have published a new report “Regulating & Supervising Well – A More Effective and Efficient Framework” which sets out their approach to a more effective and efficient regulatory and supervisory framework. The objective of the framework is to reduce complexity and improve clarity, while maintaining resilience and important protections in the financial system. The Central Bank noted that “As part of our work, we engaged with and listened to feedback from stakeholders, including the financial services sector, and our strategic aim of making the framework more straightforward without compromising on resilience and protections appear aligned. Following this engagement, we have undertaken an assessment of areas for simplification and continuous improvement; and this document sets out our current and intended roadmap.”

Read the report here: [Regulating & Supervising well – a more effective and efficient framework](#)

Compliance Professionals should consider the report in conjunction with the Central Bank's new integrated, risk-based supervisory approach published earlier this year: [Our Approach to Supervision](#)

Credit Union Newsletter: The Central Bank of Ireland have published Issue 22 of Credit Union News featuring

- Lending-Related Regulations Changes
- Application of the Consumer Protection Code to Credit Union Activities – noting a consultation on the application of CPC 2025 to credit unions will launch (*and subsequently launched on 9th of December – see Consultations below*).
- IT Risk Workshops
- Payment Related Incident Reporting
- Credit Union Restructuring
- Upcoming Sector Specific AML / CFT Risk Evaluation Questionnaire (REQ) for Credit Unions

Read it here: [Credit Union News Issue 22 - December 2025](#)

Speeches (*Climate Risk & Sustainable Finance Forum, Digital Banking, Digital Euro*)

- [Remarks at the Climate Risk and Sustainable Finance Forum – Governor Gabriel Makhlouf](#)
- [The Digital Euro: shaping the future while preserving trust](#)
- [Opening Statement by Colm Kincaid, Deputy Governor of the Central Bank of Ireland at the Joint Oireachtas Committee on Finance, Public Expenditure, Public Service Reform and Digitalisation, and Taoiseach](#)

Department of Justice, Home Affairs and Migration (*General Scheme of Criminal Justice Bill*)

On December 16th, the Department of Justice, Home Affairs and Migration published the General Scheme of the Criminal Justice (International Co-operation) (Amendment) Bill 2025.

Read it here: [General Scheme of the Criminal Justice \(International Co-operation\) \(Amendment\) Bill 2025](#)

Other (IAASA – CSRD Reporting Observations)

IAASA CSRD Reporting Observations: IAASA, the Irish Auditing & Accounting Supervisory Authority, has published a paper “observations on Wave 1 CSRD reporting”, summarising key findings from their supervisory work on the first year of CSRD Wave 1 reporting in Ireland. The paper covers corporate reporting examinations, assurance quality inspections, and the challenges faced by entities and audit firms as they adapt to evolving sustainability reporting requirements.

Read it here: [Corporate Sustainability Reporting - IAASA Observations](#)

Europe (Sustainability Omnibus Agreed)

Sustainability Omnibus Agreed: Trilogue discussions (between the European Council, European Commission and European Parliament) have reached a provisional deal to update EU rules on sustainability reporting and due diligence requirements for companies. Key points include:

- Companies with more than 1,000 employees and annual turnover higher than €450 million to report on their sustainability
- Only large corporations with more than 5,000 employees and annual turnover higher than over €1.5 billion to carry out due diligence on their adverse impacts
- Digital portal with templates and guidelines on reporting requirements for businesses

Read further details here: [Deal on updated sustainability reporting and due diligence rules | News | European Parliament](#)

***See further update below from the European Parliament who subsequently voted to adopt the Omnibus.*

European Central Bank (*Reforming Banking Supervision Blog, Governing Council proposes simplification of EU banking rules, Joint EBA-ECB report on payment fraud*)

Blog on reforming banking supervision: In the European Central Bank's (ECB) latest Supervision Blog, Claudia Buch, Chair of the Supervisory Board of the ECB, and Sharon Donnery, Member of the Supervisory Board of the ECB, discuss "Streamlining supervision, safeguarding resilience: reforming European banking supervision"; noting that "A fast-changing risk environment requires resilience and adaptability. Banks need to respond to evolving risks to remain resilient and able to serve the economy. Supervisors need to reduce undue complexities by increasing efficiency, effectiveness and risk focus. This blog post explains how we are reforming European banking supervision to continue to protect the safety and soundness of banks"

Read it here: [Streamlining supervision, safeguarding resilience: reforming European banking supervision](#)

Governing Council proposes simplification of EU banking rules: The European Central Bank has published the recommendations of the Governing Council's High-Level Task Force on Simplification to simplify the European regulatory, supervisory and reporting framework. These recommendations were endorsed by the Governing Council and will now be presented to the European Commission.

Read them here: [Simplification of the European prudential regulatory, supervisory and reporting framework](#)

Joint EBA-ECB report on payment fraud: The European Central Bank and European Banking Authority have published the 2025 edition of their joint report on payment fraud. The report covers the semi-annual data for 2022 to 2024 and confirms that the legal requirement for strong customer authentication (SCA) introduced in 2020 has contributed to reducing fraud levels. However, it also highlights the need for continued vigilance and for security measures to be adapted to combat new emerging types of fraud.

Read it here: [2025 report on payment fraud](#)

European Council (*Retail Investment Strategy, Russian Sanctions*)

Retail Investment Strategy: The Council and the European Parliament agreed on an updated retail investment framework after long discussions, noting that “The new rules will provide a wider range of efficient investment and financing opportunities for citizens and businesses. This will also contribute to the EU’s savings and investments union (SIU) and to the simplification of financial services regulation – both priority initiatives to improve how the EU’s financial system channels savings into productive investments.” The package also modernises and simplifies investor protection rules so that they are coherent across different financial sectors. The package takes the form of a directive containing targeted amendments to a number of other EU directives in the area of financial services such as the markets in financial instruments directive (MIFID), the Solvency II directive, the directive for undertakings for collective investment in transferable securities (UCITS) and the alternative investment and managers directive (AIFMD), and a regulation amends the packaged retail and insurance-based investment products (or ‘PRIIPs’ regulation).

Read full details here: [Retail investment strategy: Council and Parliament agree on package to empower consumers while boosting markets - Consilium](#)

Russian Sanctions: The European Council has sanctioned 41 vessels of the Russian shadow fleet which were added to the list of those subject to a port access ban and ban on provision of a broad range of services related to maritime transport.

Find the regulation here: [Regulation - EU - 2025/2618 - EN - EUR-Lex](#)

Read details here: [Russia's war of aggression against Ukraine: Council sanctions 41 vessels of the Russian shadow fleet - Consilium](#)

European Parliament (*Sustainability Omnibus Adopted*)

EP Adopts Sustainability Omnibus: The European Parliament adopted the Sustainability Omnibus text on December 16th, with 428 votes in favour, 218 against and 17 abstentions. The final text will also have to be formally approved by Council. The directive will then enter into force twenty days after its publication in the Official Journal.

Read further here: [Simplified sustainability reporting and due diligence rules for businesses | News | European Parliament](#)

European Commission (Updated Taxonomy FAQs, Market Integration Package)

Updated FAQs on the EU Taxonomy and its delegated Acts: The European Commission has published updated FAQs on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation, as amended by the Omnibus Delegated Act, on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets.

Read them here: [Draft Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation, as amended by the Omnibus Delegated Act, on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets \(fourth notice\)](#)

EC Publishes Market Integration Package: The European Commission has adopted a comprehensive package of measures “designed to remove barriers and unlock the full potential of the EU single market for financial services”. This package is a central component of the [savings and investments union \(SIU\) strategy](#), aiming to create a more integrated, efficient, and competitive financial system providing EU citizens better options for growing their wealth and supporting businesses in accessing funding.

Read the Factsheet here: [Factsheet: Breaking down barriers to integrate financial markets](#)

There are a number of proposed regulatory measures which can be explored here: [Market integration package - Finance - European Commission](#)

ESAs (Frauds & Scams factsheets for Consumers).

ESAs Factsheets on Frauds and Scams for Consumers: The three European Supervisory Authorities (EBA, EIOPA and ESMA) have published two factsheets designed to help consumers protect themselves from crypto and other online frauds and scams and explain how fraudsters increasingly use artificial intelligence (AI) to deceive consumers.

Read them here:

1. [Facstheet on online financial frauds and scams in an artificial intelligence world](#)
2. [Factsheet on crypto frauds and scams](#)

EBA (Operational Risk Reporting Guidance, Threshold for Central Securities Depositories RTS, Final Draft RTS on Structural FX, Final Draft RTS on the assessment of appropriateness of risk weights and minimum LGD values)

Operational Risk Reporting Guidance: The European Banking Authority has published clear guidance for banks on how to manage enhanced reporting requirements for operational risk, following the postponement of the first reference date under the [amended Implementing Technical Standards](#) (ITS). This move comes after the European Commission adopted Regulation (EU) 2025/2475, which delays the application of new operational risk reporting obligations to the end of June 2026.

Read the Guidance here: [The EBA provides guidance to banks on enhanced reporting requirements for operational risk ahead of new June 2026 reference date | European Banking Authority](#)

Threshold for Central Securities Depositories RTS: The European Banking Authority has published its final draft Regulatory Technical Standards establishing the threshold up to

which non-banking CSDs (“designating CSDs”) may use banking CSDs or credit institutions for cash settlement without entities needing additional authorisation.

Key features of the RTS include:

- Threshold levels: the minimum threshold level is set at EUR 3.75 billion and 1.5% of annual settlement volume, while the maximum threshold is EUR 6.25 billion and 2.5% of annual settlement volume.
- Dynamic thresholds: the standards introduce a dynamic threshold that adjusts according to the risk profile of both the designating CSD and the designated credit institution. As activity levels increase, so do the prudential and risk management requirements.
- Accompanying risk management and prudential measures: proportionate to the threshold

Read the RTS here: [Final draft RTS on Threshold for Central Securities Depositories.pdf](#)

Final Draft RTS on Structural FX: The European Banking Authority has published its final Regulatory Technical Standards on structural foreign exchange (FX) under the Capital Requirements Regulation (CRR). These standards deliver greater clarity, consistency, and supervisory convergence in the application of structural FX provisions across the EU.

Read them here: [Final draft RTS on Structural FX.pdf](#)

Final Draft RTS on the assessment of appropriateness of risk weights and minimum LGD values: The European Banking Authority has published its final draft amending Regulatory Technical Standards on the types of factors to be considered by national authorities in assessing the appropriateness of real estate risk weights. This review is driven by the revised Capital Requirements Regulation (CRR 3), which confers a new mandate onto the EBA regarding the Standardised Approach of credit risk.

Read the RTS here: [Final Report Amending RTS Article 124\(11\).pdf](#)

ESMA (New Q&As, Impact of Guidelines on EGG / Sustainability term, MiFID II Conflicts of Interest CSA, MiFIR Review Final Report, Supervisory Expectations for the Management Body)

New Q&As: The European Securities and Markets Authority, the EU's securities markets regulator, has published or updated a number of Questions and Answers regarding AIFMD Directive, ESG Ratings Regulation, Market Abuse Regulation, Markets in Crypto-Asset Regulation, Prospectus Regulation and Undertakings for Collective Investment in Transferable Securities Directive.

Read them here: [New Q&As available](#)

Impact of Guidelines on ESG or Sustainability related terms in fund names: The European Securities and Markets Authority has released research assessing the impact of its fund naming guidelines on ESG and sustainability-related terms. The study found that ESMA's Guidelines have:

- Improved consistency in the use of ESG terms by increasing alignment of fund names and their actual investment strategies.
- Enhanced investor protection by reducing greenwashing risks.

Read it here: [ESMA50-801628861-4423 TRV article: Impact of ESMA Guidelines on the use of ESG or sustainability-related terms in fund names](#)

MiFID II Conflicts of Interest CSA: The European Securities and Markets Authority will launch a Common Supervisory Action (CSA) with National Competent Authorities (NCAs) on conflicts of interest in the distribution of financial instruments. The CSA will assess how firms comply with their obligations under MiFID II to identify, prevent, and manage conflicts of interest when offering investment products to retail clients and will take place during 2026.

The CSA will focus on:

- The possible impact of staff remuneration and inducements on what products are offered to investors.

- The role of digital platforms in directing investors towards certain products, and whether this serves their best interests.
- The ways firms manage potential conflicts between their own profits and the needs of retail investors.

Read full details here: [ESMA to launch Common Supervisory Action on MiFID II conflicts of interest requirements](#)

MiFIR Review Final Report: The European Securities and Markets Authority has published the Final Report covering mandates under the MiFIR Review on derivatives trade transparency, package orders and the over-the-counter (OTC) derivatives consolidated tape input and output data. ESMA noted that the proposed pre- and post-trade transparency requirements for exchange traded derivatives (ETDs) and OTC derivatives are designed to provide a high level of transparency whilst ensuring that liquidity providers are protected from undue risk.

Read the report here: [ESMA74-276584410-10987 MiFIR Review Final Report on derivatives transparency packages CTP input output .pdf](#)

Supervisory Expectations for the Management Body: The European Securities and Markets Authority has published its Final Report on the Supervisory Expectations for the Management Body, outlining ESMA's expectations for the management bodies of the entities under its supervision. The 12 high-level principles are directed at entities supervised by ESMA and those looking to obtain an ESMA license. They are designed to set out ESMA's core expectations in the form of outcomes.

Read the report here: [ESMA84-2131909211-9912 Final Report on Supervisory Expectations for the Management Body.pdf](#)

Read the factsheet here: [Supervisory expectations for the management body](#)

EIOPA (Updated Guidance Issued)

Updated Guidance Issued: The European Insurance and Occupational Pensions Authority has published new Guidelines on exclusions from group supervision, a set of revised Guidelines on the treatment of related undertakings, and an updated Opinion on the supervisory assessment of internal models with dynamic volatility adjustments.

Read the Guidelines on exclusions from group supervision here: [Final Report on Guidelines on exclusions from scope of group supervision - Solvency II Review - European Insurance and Occupational Pensions Authority](#)

Read the Guidelines on the treatment of related undertakings: [Final report on revised Guidelines on treatment of related undertakings - Solvency II Review - European Insurance and Occupational Pensions Authority](#)

Read the Revised Opinion on the assessment of internal models here: [Final Report on revised Opinion on internal models with DVA - Solvency II Review - European Insurance and Occupational Pensions Authority](#)

EFRAG (Response to proposed SASB Amendments, Draft Simplified ESRS)

Response to proposed SASB Amendments: EFRAG has released its Comment Letter to the “[Exposure Draft - Proposed Amendments to the \(Sustainability Accounting Standards Board \(SASB\) Standards](#)”, and “[Exposure Draft - Proposed Amendments to the Industry-based Guidance on Implementing IFRS S2](#)” published by the International Sustainability Standards Board (ISSB). Whilst EFRAG has welcomed the ISSB’s efforts to enhance the SASB Standards and acknowledges the significant progress made, noting that the amendments represent an important step toward more consistent and decision-useful sustainability reporting at global level, EFRAG has highlighted several areas where further clarity and alignment would help ensure the amendments are practical and proportionate for preparers including:

- Clarification of the practical meaning of ‘shall refer to and consider’: positioning SASB Standards as optional guidance to support materiality assessments

- Strengthening interoperability with other standards
- Ensuring proportional and implementable requirements
- Clarifying the role of SASB in relation to IFRS S1 and S2

Read the comment letter here: [EFRAG Comment Letter - SASB](#)

Draft Simplified ESRS published: EFRAG was requested by the European Commissioner for Financial Services and the Savings and Investments Union, Maria Luís Albuquerque, to deliver technical advice on how to simplify the delegated act on the European Sustainability Reporting Standards (ESRS) and, building on CSRD ‘Wave 1’ feedback and based on the mandate from the European Commission, EFRAG completed this simplification exercise at the end of November. On December 3rd, after an extensive input gathered that included 60 days of public consultation in the summer, EFRAG published the Amended ESRS on 3rd of December. They note that the “standards reduce significantly the reporting burden, while retaining the core objectives of the EU Green Deal”.

Read EFRAGs letter to Commissioner Maria Luís Albuquerque here: [EFRAG's Cover Letter to the Amended ESRS Final 3 December 2025.pdf](#)

Find the amended ESRS here: [Draft Simplified ESRS | EFRAG](#)

AMLA (Final Reports - Draft RTS, European Parliament Update)

AMLA Final Reports: The European Anti Money Laundering Authority has published two final reports with draft regulatory technical standards. The first report sets out a common methodology that supervisors will use to assess and classify the level of ML/TF risk to which obliged entities are exposed (i.e. risk profiles). The second report sets out the methodology AMLA will use to select which obliged entities it will supervise directly.

1. Final Report Draft Regulatory Technical Standards on the assessment of the inherent and residual risk profile of obliged entities: [c8782141-45bf-4ef9-9d66-33e2f90e607e_en](#)

2. Final Report Draft Regulatory Technical Standards on the risk assessment for the purpose of selection of credit institutions, financial institutions and groups of credit and financial institutions for direct supervision [1c8bca18-fb5e-4b5e-afee-848111754238_en](#)

AMLA have also published their first Consultation – see Consultations section below.

AMLA Chair Updates EP: Bruna Szego, Chair of the Anti Money Laundering Authority, appeared before the ECON and LIBE Committees of the European Parliament on 2nd of December 2025 in Brussels, presenting the Authority's progress, outlining priorities, and responding to MEPs questions on a range of topics.

Read the Introductory Statement here: [ECON LIBE Parliamentary Hearing - Opening statement by AMLA Chair Szego.pdf](#)

Global (BIS 3rd Party Risk/Outsourcing Guidance)

BIS Third Party / Outsourcing Guidance: The Basel Committee on Banking Supervision of BIS (the Bank for International Settlements), has published their principles for the sound management of third party risk. As part of its 2025-2026 work programme, the Basel Committee is advancing various supervisory initiatives related to the digitalisation of finance. Banks' increased dependency on third-party service providers necessitates evolving the traditional concept of outsourcing to encompass a broader range of third-party arrangements. The principles set a common baseline for banks and supervisors in managing risks associated with third-party providers, while allowing sufficient flexibility to adapt to evolving practices and regulatory frameworks across jurisdictions

Read them here: [Principles for the sound management of third-party risk](#)

ESG/Sustainability (*ISSB issues targeted amendments to IFRS S2 – GHG emissions disclosures, ISSB December Update & Podcast*)

ISSB issues targeted amendments to IFRS S2 – GHG emissions disclosures: The International Sustainability Standards Board has issued targeted amendments to greenhouse gas (GHG) emissions disclosure requirements in IFRS S2 *Climate-related Disclosures* in response to specific application challenges that were identified as companies started to apply the Standard. The amendments are based on feedback from the ISSB's consultation earlier in the year and are effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

Read the summary of amendments here: [s2-targeted-amendments-at-a-glance.pdf](#)

And the amendments here: [Amendments to Greenhouse Gas Emissions Disclosures](#)

And here: [SASB-S2-2025-1 Consequential Amendments to Align with Amendments to Greenhouse Gas Emissions Disclosures](#)

December 2025 ISSB Update & podcast: The ISSB Update, summarising the December 2025 International Sustainability Standards Board (ISSB) meeting, is now available. You can also listen to Chair Emmanuel Faber and Vice-Chair Sue Lloyd in the latest episode of the ISSB podcast.

Read the update here: [IFRS - ISSB Update December 2025](#)

Listen to the Podcast here: [ifrs.org/content/dam/ifrs/podcasts/2025/issb-podcast-december-2025.mp3](#)

Consultations

The Central Bank of Ireland has published a consultation on the application of the Consumer Protection Code 2025 to all regulated credit union activities. The Central Bank noted that “There has been significant change in the credit union sector in recent years.” and that “In response to these changes, the Central Bank believes it is now appropriate to apply CPC 2025 to all regulated credit union activities to ensure that credit union members are afforded the same consumer protections as other financial services consumers.” The Consultation Paper sets out the rationale for this position and outlines the proposed process for applying CPC 2025 to all regulated credit unions activities.

The Central Bank of Ireland has also launched a public consultation on the implementation of their new Access to Cash responsibilities. The public consultation covers two parts of the new Access to Cash regime - firstly, the new legislation provides for the identification of local deficiencies in the cash infrastructure and secondly, they are consulting on setting minimum ATM service standards and notifications requirements for firms operating ATMs

The European Insurance and Occupational Pensions Authority has launched seven consultations on policy instruments related to the implementation of the European Union’s Insurance Recovery and Resolution Directive (IRRD) which is set to become operational in January 2027. Responding to the Directive’s requirements for EIOPA, the consultation papers propose draft guidelines and technical standards covering the scenarios and indicators to be used in pre-emptive recovery plans, the criteria for simplified obligations and the methodology for establishing the independence of valuers in the resolution process, among others.

AMLA, the EU’s new Anti Money Laundering Authority has also published its first consultation on the Draft Implementing Technical Standards on cooperation within the AML/CFT supervisory system for the purposes of direct supervision under Article 15(3) of Regulation (EU) 2024/1620 (“AMLAR” - the regulation establishing AMLA). From 2028, AMLA will be directly supervising obliged entities in the financial sector that operate in at least six Member States and have a high-money laundering and terrorist financing risk profile. Article 15(3) of the AMLAR requires AMLA to develop implementing technical

standards ('ITS') that specify how AMLA and financial supervisors cooperate in the context of the direct supervision.

Regulatory Fines (*Insurance Enforcement, AML/CFT*)

CBI, the Central Bank of Ireland have reprimanded Mr Philip Smith, former Chief Executive Officer (CEO) and Executive Director of RSA Insurance Ireland DAC and disqualified Mr. Smith for 13 years from being a person concerned in the management of a regulated financial service provider for his admitted participation in a breach of financial services law by RSAII; specifically of Article 13(1)(a) of the European Communities (Non-Life Insurance) Framework Regulations 1994, S.I. No. 359 of 1994 (the 1994 Regulations) which requires insurance undertakings to maintain adequate technical reserves in respect of all underwriting liabilities. RSAII was previously fined in 2018 for the Prescribed Contravention having admitted that on 30 September 2013, there was a significant shortfall in its technical reserves resulting from the under-reserving of 17 large loss claims.

- Read full details here: [20171106 Settlement Agreement \(incl Prescribed Contraventions\)](#)

FCA, The Financial Conduct Authority in the UK has fined Nationwide Building Society £44m for inadequate anti-financial crime systems and controls between October 2016 to July 2021. During this period, Nationwide had ineffective systems for keeping up-to-date due diligence and risk assessments for all its personal current account customers and for monitoring their transactions.

- Read details here: [FCA fines Nationwide £44m for failings in financial crime controls | FCA](#)

4. Table of Open Consultation Papers (*notable*):

Source	Topic	Link	Closing Date
CBI <i>*New this month*</i>	Access to Cash Consultation on Requirements for ATM Operators	CP164 - Access to Cash Requirements for ATM Operators Consultation	04/03/2026
CBI <i>*New this month*</i>	Access to Cash Consultation on Local Deficiency Guidelines	CP163 Access to Cash Consultation on Local Deficiency Guidelines	04/03/2026
CBI <i>*New this month*</i>	Consultation Paper 165 - Application of the Consumer Protection Code 2025 to all regulated credit union activities	CP165 Application of Consumer Protection Code to all regulated credit union activities	06/03/2026
Pensions Authority	In-scheme drawdown (ISD) Consultation paper	In-scheme-drawdown-ISD-consultation-paper-2.pdf	20/01/2026 <i>*Date Extended*</i>

EC	Adopted Act open for feedback as regards the simplification of the implementation of harmonised rules on artificial intelligence (Digital Omnibus on AI)	Simplification – digital package and omnibus (Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulations (EU) 2024/1689 and (EU) 2018/1139 as regards the simplification of the implementation of harmonised rules on artificial intelligence (Digital Omnibus on AI))	21/01/2026
EC	Targeted consultation on the application of the market risk prudential framework	Consultation document - Targeted consultation on the Application of the market risk prudential framework	06/01/2026
AMLA <i>*New this month*</i>	Consultation Paper Draft Implementing Technical Standards on cooperation within the AML/CFT supervisory system for the purposes of direct supervision under Article 15(3) of Regulation (EU) 2024/1620	b3ad5ac1-ee9f-4763-bac8-010908ec4559_en	27/01/2026
ESMA	Consultation on the EMIR 3 draft RTS on Participation Requirements	ESMA91-1505572268-4364 Consultation paper on EMIR 3 draft RTS on Participation Requirements	05/01/2026

<p>EBA <i>*New this month*</i></p>	<p>Consultation on Technical standards on prudentially material transactions under CRD</p>	<p>Consultation paper on RTS-ITS on new supervisory tools.pdf</p>	<p>05/03/2026</p>
<p>EBA <i>*New this month*</i></p>	<p>Consultation on Regulatory Technical Standards on prudential requirements for central securities depositories (CSDs)</p>	<p>CP amendments CSDR RTS Article 59(5).pdf</p>	<p>03/03/2026</p>
<p>EBA</p>	<p>Consultation on draft Guidelines on authorisation of third-country branches</p>	<p>Consultation Paper on draft Guidelines on authorisation of third country branches.pdf</p>	<p>03/02/2026</p>
<p>EBA</p>	<p>Consultation on Guidelines on supervisory independence of competent authorities</p>	<p>Consultation paper on draft Guidelines on supervisory independence.pdf</p>	<p>23/01/2026</p>
<p>EBA</p>	<p>Consultation on revised Guidelines for common procedures and methodologies for the supervisory review and evaluation process (SREP) and supervisory stress testing</p>	<p>Consultation paper on revised Guidelines on SREP and supervisory stress testing.pdf</p>	<p>26/01/2026</p>

<p>EIOPA <i>*New this month*</i></p>	<p>Consultation on the proposal for Guidelines to specify further the range of scenarios in pre-emptive recovery planning</p>	<p>https://www.eiopa.europa.eu/document/download/d6f87794-99c7-4b51-8b34-19a1110c7eec_en?filename=EIOPA-BoS-25-581_IRRD_I6a%20Guidelines%20on%20Scenarios.pdf</p>	<p>20/03/2026</p>
<p>EIOPA <i>*New this month*</i></p>	<p>Consultation on the proposal for Guidelines to specify further the qualitative and quantitative indicators in pre-emptive recovery planning</p>	<p>https://www.eiopa.europa.eu/document/download/3a933c94-aed9-4ab3-a51d-2ba4437f3dc4_en?filename=EIOPA-BoS-25-582_IRRD_I6b%20Guidelines%20on%20Indicators.pdf</p>	<p>20/03/2026</p>
<p>EIOPA <i>*New this month*</i></p>	<p>Consultation on the proposal for Guidelines to specify how information should be provided in summary or collective form for the purposes of Article 66(2) of the IRRD</p>	<p>https://www.eiopa.europa.eu/document/download/614982f6-18c6-4255-b641-ea05e60cfa6f_en?filename=EIOPA-BoS-25-583_IRRD_I9%20Guidelines%20on%20provision%20of%20information.pdf</p>	<p>20/03/2026</p>
<p>EIOPA <i>*New this month*</i></p>	<p>Consultation on the proposal for Guidelines to specify further details on the criteria on simplified obligations under the IRRD</p>	<p>https://www.eiopa.europa.eu/document/download/b528ad4e-286e-44d1-be54-af1afa1e975a_en?filename=EIOPA-BoS-25-584_IRRD_I10%20Simplified%20obligation.pdf</p>	<p>20/03/2026</p>

EIOPA <i>*New this month*</i>	Consultation on the proposal for Regulatory Technical Standards on the independence of valuers for resolution under Article 24(6) of the IRRD	https://www.eiopa.europa.eu/document/download/c73679c9-9530-4f86-ac3b-87c2078368b7_en?filename=EIOPA-BoS-25-585_IRRD_I11%20Independence%20of%20valuers.pdf	20/03/2026
EIOPA <i>*New this month*</i>	Consultation on the proposal for Regulatory Technical Standards on contractual recognition of resolution stay powers under Article 52 of the IRRD	https://www.eiopa.europa.eu/document/download/c3054b61-7253-4a91-b484-1ac907429234_en?filename=EIOPA-BoS-25-586_IRRD_I17%20Recognition%20of%20stay%20powers.pdf	20/03/2026
EIOPA <i>*New this month*</i>	Consultation on the proposal for Regulatory Technical Standards specifying methodologies and principles on the valuation of liabilities arising from derivatives	https://www.eiopa.europa.eu/document/download/125dd56b-334d-44e5-979d-4338c1a49049_en?filename=EIOPA-BoS-25-587_IRRD_I18%20Val%20liab%20from%20derivatives.pdf	20/03/2026
EIOPA	Consultation on Guidelines on powers to remedy liquidity vulnerabilities - Solvency II Review	CP on GLs on powers to remedy liquidity vulnerabilities	05/01/2026
EIOPA	Consultation on revised ITS on disclosures templates to	6e733862-e6df-481d-9397-0a41143bee58_en	05/01/2026

	supervisory authorities - Solvency II Review		
EIOPA	Consultation on revised ITS on matching adjustment approval - Solvency II Review	857ab486-8640-49d6-8c3a-2b44a3c2f3f9_en	05/01/2026
EIOPA	Consultation on RTS on simplified calculation of the risk margin - Solvency II Review	2468dcbb-fc6c-47bb-a42b-19da752ec96b_en	05/01/2026
EIOPA	Consultation on revised Guidelines on ring-fenced funds - Solvency II Review	75f071d7-7eb8-4da5-aa21-55d555d34fba_en	05/01/2026
EIOPA	Consultation on revised Guidelines on valuation of technical provisions - Solvency II Review	c8a94866-de71-4c0a-b9f4-2cef3f6dad8f_en	05/01/2026
IOSCO	Consultation Report on Valuing Collective Investment Schemes	CR/05/2025 Valuing Collective Investment Schemes (CIS)	02/02/2026
IOSCO	Recommendations for Secondary Market Disclosure	CR/03/2025 Recommendations for Secondary Market Disclosure	03/02/2025

IOSCO, BIS	FMIs' management of general business risks and general business losses: Further guidance to the PFMI	CR/04/2025 FMIs' management of general business risks and general business losses: Further guidance to the PFMI	06/02/2026
FSB	Scope of Insurers Subject to the Recovery and Resolution Planning Requirements in the FSB Key Attributes.	Scope of Insurers Subject to the Recovery and Resolution Planning Requirements in the FSB Key Attributes: Consultation report	06/02/2026