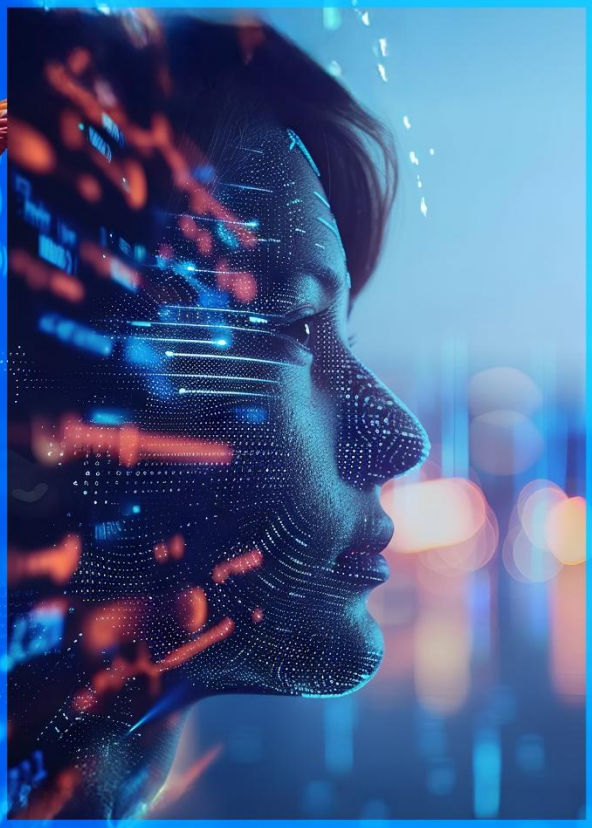
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Regulatory Insights

Financial Services



OCTOBER 2026

Anti-Money Laundering

AMLA finalises standards on home-host supervisory cooperation

Publication date: 1 October 2026

What: AMLA has published its final draft Regulatory Technical Standards (RTS) under Article 46(4) of Directive (EU) 2024/1640 (AMLD6), setting out the arrangements for cooperation between home and host supervisors of cross-border groups of obliged entities. The standards establish a harmonised and proportionate framework for information exchange, cross-border inquiries and coordinated AML/CFT supervision across EU Member States, covering both financial and non-financial sectors.

Key points:

- Clear allocation of supervisory responsibilities: The RTS clarify the respective duties of home and host supervisors and establish practical arrangements for day-to-day cooperation when supervising groups operating across multiple EU jurisdictions.
- Simplified information sharing: The standards introduce a simplified disclosure framework allowing information to be shared between EU supervisory authorities without requiring prior consent, facilitating more efficient supervisory cooperation.
- Cross-border supervisory inquiries: Home and host supervisors will be able to conduct cross-border inquiries and coordinate their supervisory approaches, supporting more consistent and effective oversight of cross-border groups.
- Proportionate information gathering: Supervisors are expected to check information already available to them before making additional requests, helping avoid unnecessary or duplicative information requests.
- Proactive information exchange: Supervisory authorities are also expected to share relevant information proactively, applying a risk-based approach to ensure that material supervisory developments are communicated to the appropriate authorities.
- Consistent EU-wide supervision: The framework is intended to reduce fragmentation in supervisory practices and support consistent, targeted and risk-based application of AML/CFT requirements across the EU.

Next steps:

The final draft RTS will be submitted to the European Commission for adoption. Once adopted, the standards will become directly applicable and legally binding across all EU Member States, without requiring national transposition.

The RTS form part of the broader AMLD6 supervisory framework and are intended to strengthen cooperation between national authorities and AMLA in overseeing cross-border groups of obliged entities.

Medium impact: The RTS primarily affect supervisory authorities, but firms may face more coordinated cross-border supervision and information requests. They should ensure their group-wide AML/CFT policies, reporting channels and information-sharing arrangements are effective across all jurisdictions.

AMLA publishes three sets of draft Regulatory Technical Standards on key AMLR requirements

Publication date: 1 October 2026

What: AMLA has published three sets of draft Regulatory Technical Standards (RTS) under the EU Anti-Money Laundering Regulation (AMLR). The standards provide further detail on customer due diligence, the identification of business relationships and occasional transactions, and group-wide AML/CFT requirements for groups operating in third countries.

Key points:

1. **Customer due diligence – Article 28(1) AMLR**

The draft RTS specify the information obliged entities must collect and verify when conducting customer due diligence.

They also address simplified measures for lower-risk situations, non-face-to-face business relationships, the use of electronic identification methods and the treatment of Politically Exposed Persons (PEPs), their family members and known close associates.

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2. Business relationships and occasional transactions – Article 19(9) AMLR

The draft RTS clarify the criteria for distinguishing business relationships from occasional transactions and identifying transactions that are linked. This is intended to support a consistent application of the AMLR requirements, including the relevant transaction thresholds.

3. Group-wide requirements and third-country operations – Articles 16(4) and 17(3) AMLR

The draft RTS set out minimum AML/CFT requirements for groups, including governance arrangements, risk management and internal controls. They also specify additional measures that may be required where subsidiaries or branches operate in third countries, particularly where local legal requirements create obstacles to implementing group-wide AML/CFT policies.

Next steps:

AMLA has submitted the draft RTS to the European Commission for adoption. Once adopted and brought into force, the standards will provide more detailed requirements for obliged entities to implement. The proposed application date is six months after their entry into force. Specific transitional arrangements apply to football agents and professional football clubs, for which the requirements are proposed to apply from 10 July 2029.

Further information:

The following AMLA documents provide further detail on each set of draft RTS:

1. Customer due diligence – Article 28(1) AMLR

Final Report – Draft RTS under Article 28(1) AMLR

Factsheet – RTS under Article 28(1) AMLR

2. Business relationships and occasional transactions – Article 19(9) AMLR

Final Report – Draft RTS under Article 19(9) AMLR

Factsheet – RTS under Article 19(9) AMLR

3. Group-wide requirements and third-country operations – Articles 16(4) and 17(3) AMLR

Final Report – Draft RTS under Articles 16(4) and 17(3) AMLR

Factsheet – Group-wide minimum requirements

Factsheet – Legal impediments in third countries

Impact assessment:

🔴 **High impact:** The draft RTS will have a significant impact on obliged entities, particularly those operating across multiple jurisdictions or with complex customer and group structures. Firms should assess their existing AML/CFT policies, customer due diligence processes, transaction-monitoring arrangements and group-wide controls against the proposed requirements. Early gap analysis will help identify where procedures, systems, governance arrangements or information-sharing mechanisms may need to be updated ahead of the standards becoming applicable.

📰 AMLA invites stakeholders to sectoral roundtables on simplified customer due diligence

Publication date: 2 October 2026

What: AMLA has invited obliged entities, trade associations and other representative bodies from the financial and non-financial sectors to express their interest in participating in sectoral roundtables on the application of customer Simplified Due Diligence (SDD).

The discussions will contribute to the development of AMLA's own-initiative guidelines (Guidelines), which aim to promote a clear, consistent, effective and proportionate application of SDD in situations presenting a lower risk of money laundering and terrorist financing.

Key points:

- Sectoral stakeholder engagement: The roundtables will bring together representatives from financial and non-financial sectors to share practical experience, existing practices and challenges in applying simplified Customer Due Diligence (CDD).
- Focus on lower-risk situations: Discussions will consider how SDD should be applied where the assessed money laundering and terrorist financing risk is lower, while remaining within the applicable legal framework.
- Particular focus on non-financial sectors: AMLA is especially encouraging participation from non-financial sector representatives and sectors facing specific challenges in applying CDD requirements.
- Timing and location: The roundtables are expected to take place in person in Frankfurt between 9 November 2026 and 2 December 2026.

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- Not a public consultation: The roundtables are part of AMLA's stakeholder engagement process and do not constitute a formal public consultation. A separate public consultation on the draft Guidelines will follow at a later stage.

Next steps:

Interested stakeholders were invited to submit expressions of interest by 18 October 2026 at 23:59 CEST. AMLA will use the feedback gathered during the roundtables to inform the development of its draft Guidelines, which will subsequently be subject to a formal public consultation.

Further information:

Call for Expressions of Interest – SDD Roundtables

AMLA News Announcement – Simplified CDD Guidelines

Medium impact : Although the roundtables do not introduce new regulatory obligations, the forthcoming Guidelines could influence how obliged entities apply simplified CDD in lower-risk situations. Firms should monitor AMLA's work and consider whether their existing risk assessment methodologies, customer onboarding procedures and simplified due diligence measures are appropriately calibrated. Financial institutions and non-financial obliged entities may also wish to participate in the consultation process to help ensure that the Guidelines reflect practical sector-specific challenges.

AMLA consults on draft standards for an EU-wide AML/CFT supervisory database

Publication date: 7 October 2026

What: AMLA has launched a public hearing on draft Regulatory Technical Standards (RTS) establishing the framework for a central EU-wide AML/CFT supervisory database. The database will act as a central information-sharing platform for supervisory authorities across the EU, bringing together information on obliged entities, supervisors and their supervisory activities.

The initiative aims to strengthen the effectiveness of AML/CFT supervision by providing authorities with a more complete and consistent overview of risks across the EU financial and non-financial sectors.

Key points:

- Centralised supervisory information: The database will serve as a single point for supervisory authorities to submit and retrieve information, supporting the identification of risks, trends and potential weaknesses across the EU AML/CFT supervisory system.
- Reporting requirements: The draft RTS specify the type, scope, level of detail and timing of information that supervisory authorities must report to the database.
- Use of existing information: To minimise the reporting burden, the framework is designed to rely primarily on information that supervisors already hold or collect as part of their existing responsibilities. AMLA has indicated that the database will not create additional reporting costs for obliged entities.
- Materiality threshold for breaches: The standards establish the materiality threshold above which breaches must be reported to the database.
- Additional information requests: The RTS also specify the circumstances and conditions under which AMLA may request further information from supervisory authorities.
- Automated and streamlined reporting: Where possible, reporting processes are expected to be automated and simplified to improve efficiency and consistency.
- Staged implementation: The draft standards provide for a phased application in certain areas, recognising that supervisory authorities will need time to adapt their systems and reporting processes.

Next steps:

- As part of the consultation process, AMLA invited stakeholders to provide feedback during a public hearing held on 3 November 2026. The draft RTS will subsequently proceed through the relevant finalisation and adoption process.
- Supervisory authorities will be responsible for adapting their reporting arrangements and systems to meet the requirements, with implementation taking place in stages.

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Medium impact : The RTS primarily introduce requirements for supervisory authorities rather than new direct reporting obligations for obliged entities. AMLA has specifically indicated that the database should not create additional reporting costs for firms, as it will rely mainly on information already held or collected by supervisors.
Nevertheless, the initiative could have indirect implications for financial institutions and other obliged entities. Greater centralisation of supervisory information may enable authorities to identify risks and inconsistencies more effectively, potentially leading to more targeted supervisory activity and follow-up requests. Firms should therefore ensure that their AML/CFT information, internal records and regulatory reporting are accurate, consistent and readily accessible.

AMLA identifies AML/CFT priorities for the review of MiCA

Publication date: 7 October 2026

What: AMLA has published its response to the European Commission's targeted consultation on the review of the Markets in Crypto-Assets Regulation (MiCA). From the AML/CFT perspective, AMLA identifies areas where targeted amendments or clarifications could help address Money Laundering and Terrorist Financing (ML/TF) risks more effectively and promote consistent supervision across the EU.

Key points:

AMLA's response focuses on five areas:

- Staking, lending and borrowing: AMLA suggests considering whether these activities should be brought within the regulatory framework, taking into account their specific ML/TF risks and the potential implications for AML/CFT controls.
- Decentralised Finance (DeFi): AMLA calls for a clearer legal definition of DeFi arrangements and common criteria for identifying the persons or entities exercising effective control over such arrangements. This could help clarify where regulatory and AML/CFT responsibilities should lie.
- Unauthorised stablecoins: AMLA supports a consistent EU-wide approach to services involving stablecoins that do not comply with MiCA, with the aim of reducing legal uncertainty and addressing associated AML/CFT risks.
- Asset-Referenced Token (ART) issuers: AMLA suggests reviewing the interaction between MiCA and the AML/CFT framework, including whether certain ART issuers currently outside the scope of obliged entities should be subject to AML/CFT requirements.
- Cross-border supervision of Crypto-Asset Service Providers (CASPs): AMLA identifies the need for clearer information requirements to facilitate cooperation between supervisory authorities and strengthen the supervision of CASPs operating across multiple EU Member States.

Next steps:

AMLA has submitted its response to the European Commission and has indicated its readiness to support the Commission in the review of MiCA. The Commission will consider the feedback as part of its review process. Any resulting legislative amendments or clarifications would be subject to the applicable EU legislative process.

Further information:

European Commission – Targeted consultation on the review of MiCA
AMLA's response to the European Commission's targeted consultation on the review of MiCA.

Medium impact : The response does not itself introduce new legal obligations or amend the existing MiCA framework. However, the areas identified by AMLA could lead to significant regulatory developments for crypto-asset service providers, stablecoin issuers and other entities operating in the crypto-asset ecosystem.
Firms should monitor the EU Commission's MiCA review, particularly developments concerning staking, lending and borrowing activities, DeFi arrangements and the treatment of unauthorised stablecoins. CASPs should also consider whether their existing AML/CFT risk assessments, customer due diligence arrangements and cross-border supervisory cooperation processes adequately address the risks associated with these activities.

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AMLA and OLAF strengthen cooperation in the fight against financial crime

Publication date: 21 October 2026

What: AMLA and the European Anti-Fraud Office (OLAF) have signed a Working Arrangement to strengthen cooperation and information exchange in combating money laundering, terrorist financing, fraud and corruption.

Key points:

- Information exchange: Both authorities will share operational and strategic information, including criminal patterns, emerging trends and risk indicators.
- Joint analyses: OLAF may contribute its anti-fraud expertise to AMLA-coordinated analyses, subject to the consent of participating Financial Intelligence Units (FIUs).
- Fraud involving EU funds: The arrangement supports joint analysis of money laundering linked to fraud involving EU funds.
- Cross-checking information: Information may be cross-checked against OLAF data to identify potential links at an early stage.

Legal basis: Article 94 of Regulation (EU) 2024/1620 (AMLA Regulation), alongside the relevant provisions of OLAF's governing regulation.

Next steps:

The authorities will implement the arrangement through ongoing cooperation, information exchange and contributions to relevant joint analyses.

Medium impact : The arrangement does not introduce new direct obligations for obliged entities. However, stronger cooperation between EU authorities may improve the detection of money laundering linked to fraud and corruption. Firms should maintain effective AML/CFT controls, particularly around higher-risk counterparties, public funds and suspicious transactions.

AMLA and EDPB invite technology providers to roundtable on AML/CFT information-sharing partnerships

Publication date: 30 October 2026

What: AMLA and the European Data Protection Board (EDPB) have invited technology providers with practical experience in AML/CFT information-sharing arrangements to participate in an online roundtable. The discussions will inform the Joint Guidelines on Partnerships for Information Sharing (PfIS) under Article 75 of the Anti-Money Laundering Regulation **(AMLR).**

Key points:

- Purpose: The roundtable will gather practical insights on how information-sharing partnerships operate and the challenges involved, particularly in balancing AML/CFT requirements with data protection obligations.
- Technology focus: Discussions will cover privacy-enhancing technologies, including secure multi-party information-sharing solutions.
- Eligibility: Applicants must have experience supporting operational AML/CFT information-sharing arrangements and at least one EU-based engagement, pilot or deployment.
- Meeting details: The online roundtable will take place on 30 November 2026, from 13:30 to 16:30 CET, via Webex. Participation is limited to 12 providers.
- Future consultation: The roundtable is not a public consultation. A formal consultation on the draft Joint Guidelines, including a public hearing, is expected in the first half of 2027.

Next steps:

Interested technology providers must submit expressions of interest by 13 November 2026 at 23:59 CET. Selected participants will receive confirmation and meeting details at least one week before the roundtable.

Further information:

Submit an expression of interest

Full call for expression of interest – selection criteria and participation conditions

Medium impact **:** No immediate obligations arise, but firms should monitor the Guidelines and review their AML/CFT information-sharing arrangements and data protection controls.

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FATF holds first Plenary meeting under UK Presidency

Publication date: 30 October 2026

What: The Financial Action Task Force (FATF) held its first Plenary meeting under the UK Presidency of Giles Thomson from 28 to 30 October 2026, bringing together delegates from more than 200 jurisdictions and observer organisations to discuss emerging threats to global financial integrity and progress in combating illicit finance.

Key points:

- Global cooperation: Barbados, Namibia and Thailand participated for the first time under the FATF-Style Regional Body Guest Initiative, broadening regional perspectives in FATF discussions.
- Combatting fraud: Delegates advanced work under the FATF's 2026–2028 roadmap to tackle fraud as a major source of criminal proceeds.
- Mutual evaluations: The Plenary discussed the mutual evaluation reports of Mexico and the United States under the new fifth round of evaluations, assessing AML/CFT and counter-proliferation financing effectiveness.
- Increased monitoring: Delegates reviewed progress by jurisdictions subject to increased monitoring.

Next steps:

FATF is expected to publish a summary of the Plenary outcomes. These developments should be monitored for any resulting changes to international AML/CFT priorities, standards or guidance.

Further information:

FATF – FSRB Guest Initiative
FATF – Roadmap on Combating Fraud
FATF – Fifth Round Mutual Evaluation Methodology

Medium impact: No immediate obligations arise for firms, but the outcomes may shape future AML/CFT priorities and country-risk assessments. Firms should monitor developments and update their risk assessments where necessary.

CySEC reminds regulated entities to improve the quality of STR/SAR reporting

Publication date: 9 October 2026

What: CySEC informs regulated entities through Circular C805 that MOKAS has published its Annual Sectorial Quantity & Quality Assessment of STRs/SARs submitted by obliged entities for 2025.

The report provides an overview of suspicious reporting activity across sectors, identifies key money laundering risk indicators and highlights recurring deficiencies in reporting quality.

Key points

- **Reporting volumes:** In 2025, MOKAS received 24,092 Suspicious Transaction Reports and Suspicious Activity Reports (STRs/SARs), a substantial increase from 2024, largely driven by reports from entities operating in other EU/EEA countries under the freedom to provide services.
- **Main risk indicators:** The most frequently used indicators included virtual asset transactions, the use of money mules, transactions between unrelated counterparties, internet fraud/cybercrime and money laundering.
- **Sectoral trends:** Reporting by payment institutions increased from 152 reports in 2024 to 340 in 2025, while reports from banking institutions decreased from 676 to 597.
- **Quality assessment:** MOKAS assesses reports against 25 quality measures covering areas such as timeliness, identification and entity information, transactions, indicators, reasons for suspicion and supporting documentation.
- **Common deficiencies:** These included weak or insufficiently supported reasons for suspicion, use of indicators without adequate explanation, incorrect classification of SARs instead of STRs and, in rare cases, late reporting. MOKAS also identified missing information and supporting documentation among the reasons why reports were rejected at the submission stage.
- **Reporting expectations:** The findings reinforce the importance of clear, complete and accurate reporting that provides meaningful financial intelligence for analysis, investigations and asset tracing.

Next steps

CySEC encourages regulated entities to review MOKAS's findings and strengthen their STR/SAR submission processes, particularly the quality of narratives, accuracy of information and completeness of supporting documentation

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Further information:

CySEC Circular C805 and MOKAS assessment
MOKAS Annual Sectorial Quantity & Quality Assessment 2025

Medium impact : AML/CFT compliance teams should review the 25 quality measures against their internal reporting procedures, with particular attention to suspicion narratives, relevant indicators and supporting evidence.

CySEC informs regulated entities of new EU formats for beneficial ownership reporting

Publication date: 27 October 2026

What : CySEC informs regulated entities through **Circular C810** of the EU Commission Implementing Regulation (EU) 2026/2354, published in the Official Journal **on** 22 October 2026. The Regulation establishes common formats for submitting beneficial ownership information to central registers across the EU, aiming to improve data quality, consistency and interoperability.

Key points

- Introduces standardised formats for submitting beneficial ownership information to EU central registers.
- Aims to facilitate consistent recording and exchange of beneficial ownership data across Member States.
- The Regulation is directly applicable and binding in all Member States.
- Application date: 10 July 2027**.**

Next steps

Regulated entities should review the Regulation and assess whether any changes to their beneficial ownership data collection and submission processes will be required ahead of its application.

Further information:

- CySEC Circular C810

Medium impact : Entities involved in beneficial ownership reporting should assess their existing processes and prepare for the standardised EU submission formats by July 2027.



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Asset Management

Council agrees position on measures to deepen EU capital markets

Publication date: 9 October 2026

What: The Council of the EU has agreed the key elements of its negotiating position on the Market Integration and Supervision Package (MISP), which includes measures intended to facilitate the cross-border operation of EU investment funds and reduce regulatory fragmentation.

Key points:

- Depositary passport: The Council supports the introduction of a framework that could allow investment funds to appoint a depositary established in another EU Member State. Under the Council's position, participation would remain optional for Member States.
- Cross-border fund operations: The package includes measures intended to reduce regulatory and operational barriers affecting asset managers operating or distributing funds across multiple Member States.
- Greater supervisory integration: The broader package would strengthen ESMA's supervisory role and promote more consistent supervisory practices across the EU.
- Legislative process: The proposals are not yet final and may change during negotiations with the European Parliament.

Next Steps

The Council will formally adopt its negotiating position before negotiations begin with the European Parliament. Fund managers should monitor the final scope and conditions of the proposed depositary passport and any related changes affecting cross-border fund structures and operations.

High impact: The proposed depositary passport could provide asset managers with greater flexibility when selecting depositaries and structuring cross-border fund operations. However, its practical effect may vary between Member States because participation would remain optional under the Council's position. Fund managers, depositaries and administrators should monitor the legislative negotiations and assess the potential implications for existing and future fund structures.

European investment funds continue to attract strong inflows in August

Publication date: 30 October 2026

What : The European Fund and Asset Management Association (EFAMA) published its monthly statistical release for August 2026, reporting continued strong inflows into European investment funds. UCITS and Alternative Investment Funds (AIFs) attracted combined net inflows of €130 billion, while total net assets increased by 1.2% to €27.9 trillion.

Key points

- Overall inflows: UCITS and AIFs attracted €130 billion, slightly below July's €137 billion.
- UCITS: Net inflows rose to €118 billion from €114 billion in July. Long-term UCITS attracted €99 billion, including €45 billion into UCITS ETFs.
- **Equity funds:** Continued to lead long-term UCITS inflows, attracting €52 billion, supported by positive global equity market performance and resilient investor sentiment.
- **Bond funds:** Recorded €20 billion in inflows, down from €29 billion in July.
- **Multi-asset funds**: Inflows increased to €22 billion from €13 billion.
- **Money market funds:** UCITS money market funds attracted €19 billion, compared with €12 billion in July.
- **AIFs:** Recorded net inflows of €12 billion, down from €23 billion in the previous month.
- **Assets under management:** Combined UCITS and AIF net assets increased by 1.2% to €27.9 trillion.

Next steps

EFAMA will continue publishing monthly statistics to monitor developments in European investment fund flows and assets under management.

Further information

- EFAMA – August 2026 Monthly Statistical Release

Low impact : The figures indicate continued investor demand for European investment funds, particularly equity UCITS, alongside positive flows across all UCITS categories. Although this release introduces no new regulatory requirements, fund managers should monitor changes in investor preferences and fund flows, as these may influence product demand, portfolio positioning and liquidity management.

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ELTIF managers call for greater EU market integration and fewer cross-border distribution barriers

Publication date: 21 October 2026

What : EFAMA's second industry-led conference on European Long-Term Investment Funds (ELTIFs) brought together around 40 fund managers, policymakers and other stakeholders to discuss the implementation of the revised ELTIF framework (ELTIF 2.0).

Participants recognised that ELTIF 2.0 has supported significant growth in fund launches. However, they highlighted that further market development will depend on reducing national differences and practical barriers to cross-border distribution.

Key points

Discussions focused on three main priorities:

- Consistent supervisory practices: Greater consistency among national competent authorities in applying existing requirements, particularly concerning liquidity management tools and fund valuation practices.
- Retail investor participation: Better use of tax incentives and increased investor education to encourage retail investment in long-term assets.
- Cross-border recognition: Regulatory equivalence arrangements and greater awareness of ELTIFs outside the EU to support international recognition and distribution.

Industry representatives emphasised that the main challenge is shifting from establishing eligible fund structures to ensuring effective distribution, liquidity management and operational readiness at scale. They called for more consistent application of existing rules rather than additional regulation or guidance.

Next steps

EFAMA and industry stakeholders are expected to continue engaging with EU policymakers and national supervisors to address implementation challenges and promote a more consistent interpretation of the ELTIF framework across Member States.

Further information:

- EFAMA – ELTIF managers call for greater market integration

Medium impact : No immediate regulatory changes arise. ELTIF managers and distributors should monitor efforts to harmonise supervisory practices and reduce cross-border distribution barriers.



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EBA dashboard shows EU/EEA banks maintain capital buffers well above minimum requirements under CRR3

Publication date: 9 October 2026

What: EBA has published its updated CRR3/CRD6 dashboard, based on Q2 2026 data from 129 banks across the EU/EEA. The results show that banks maintain capital levels comfortably above minimum requirements under the fully implemented Basel III framework, despite an increasing impact from the output floor.

Key points:

- Strong capital positions: The average projected Common Equity Tier 1 (CET1) ratio stands at 15.1% under the fully loaded CRR3 framework.
- Output floor impact: The projected increase in Tier 1 minimum required capital has risen to 6.0%, compared with 5.1% based on Q4 2025 data.
- Institutions affected: 33 banks are expected to be bound by the fully loaded output floor.
- Future capital shortfalls: No shortfalls are projected before 2030. These are estimated at EUR 2.2 billion in 2030, increasing to EUR 18.5 billion by 2033 under the fully loaded framework.
- Limited overall impact: The projected shortfall in 2033 represents approximately 0.6% of the sample banks' current total capital.

Next steps:

Banks should continue assessing the impact of the output floor as the CRR3 transitional arrangements are phased out, particularly in preparation for full implementation by 2033.

Further information:

- **EBA – CRR3/CRD6 Dashboard**, Q2 2026

Medium impact : The findings indicate that banks remain well capitalised, but the increasing impact of the output floor may affect capital planning and risk-weighted asset calculations. Banks should assess potential impacts on capital requirements and prepare for the transition to the fully loaded framework.

EBA publishes final report on prudential requirements for central securities depositories

Publication date: 12 October 2026

What: EBA has published a Final Report containing draft amendments to the Regulatory Technical Standards (RTS) on prudential requirements for Central Securities Depositories (CSDs) and designated credit institutions providing banking-type ancillary services. The EBA Final Report updates prudential requirements for Central Securities Depositories (CSDs) to incorporate CSDR Refit changes, allowing banking CSDs to offer ancillary banking services to other CSDs under managed risk frameworks.

Key points:

- Expanded services: Banking CSDs can provide services such as cash payments and foreign exchange transactions to other CSDs, improving access to foreign currencies and settlement efficiency.
- Prudential safeguards: The amendments address the potential risks arising from increased interconnectedness between CSDs, particularly credit and liquidity risks.
- Supervisory notifications: The RTS clarify the notifications required by supervisors to monitor these arrangements.
- Regulatory alignment: The amendments also reflect recent changes to the Capital Requirements Regulation (CRR) and align references with the revised CSDR.

Next steps:

The draft RTS will be submitted to the European Commission for endorsement before adoption and publication in the Official Journal of the EU.

Impact assessment:

Medium impact : The amendments primarily affect banking CSDs and designated credit institutions. These entities should assess their credit and liquidity risk management frameworks, monitoring arrangements and supervisory reporting processes to ensure they address the risks arising from providing banking-type ancillary services to other CSDs.

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EBA releases final technical package for version 4.4 of its reporting and Pillar 3 disclosure framework

Publication date: 12 October 2026

What: EBA has published the final technical package for version 4.4 of its reporting and disclosure framework. The first phase introduces technical updates covering IFRS 18 reporting, Pillar 3 ESG disclosures, AMLA reporting and other regulatory reporting requirements.

Key points:

- Pillar 3 ESG disclosures: Updated requirements covering ESG risks, equity exposures, shadow banking exposures and selected Fundamental Review of the Trading Book (FRTB) templates.
- IFRS 18 reporting: New FINREP templates reflecting IFRS 18 requirements, supporting consistent supervisory financial reporting.
- AMLA reporting: Updated eligibility and reporting templates supporting AMLA's 2027 risk assessment data collection exercise.
- Other technical updates: Amendments and corrections covering resolution planning, MREL decisions and liquidity reporting for third-country branches.
- Technical deliverables: The package includes the Data Point Model (DPM), validation rules and XBRL taxonomies required to implement the updated reporting and disclosure requirements.

Next steps:

A second phase, expected in early 2027 (release 4.4.1), will incorporate the remaining elements of the EBA's supervisory reporting simplification package. The EBA may also issue a targeted hotfix in January 2027 to address critical implementation issues.

Further information:

EBA Reporting Framework 4.4

EBA Opinion on IFRS 18 implementation

EBA consultation on supervisory reporting simplification

🔴 **High impact** : Banks should assess the updated reporting templates, taxonomies and validation rules, particularly for IFRS 18, ESG disclosures and AMLA reporting. Early preparation will help ensure accurate regulatory submissions and readiness for the upcoming reporting changes in 2027.

The EBA classifies USDC as the EU's first significant e-money token

Publication date: 14 October 2026

What: EBA has classified USDC, issued in the EU by Circle Internet Financial Europe SAS, as the first significant E-Money Token (EMT) under the Markets in Crypto-Assets Regulation (MiCA). The classification follows an assessment against MiCA's significance criteria.

Key points

- USDC is the first of the 45 EMTs notified under MiCA to be designated as significant.
- From 12 November 2026, USDC will be subject to dual supervision by the EBA and the French national competent authority, the ACPR.
- The EBA will assume direct supervisory responsibility for own funds, the reserve of assets, liquidity requirements, and recovery and redemption plans.
- The ACPR will retain responsibility for areas including governance, qualifying holdings, fit and proper assessments, outsourcing and conflicts of interest.
- The EBA has also signed a Memorandum of Understanding with the New York State Department of Financial Services to facilitate supervisory cooperation and information exchange concerning cross-border stablecoin activities.

Next steps

The EBA and ACPR will coordinate the transfer of supervisory responsibilities ahead of 12 November 2026. The EBA will continue to assess the significance of ARTs and EMTs annually in accordance with MiCA.

Further information:

EBA Decision EBA/DC/558 – Procedure for significance assessment under MiCA

Legal basis: MiCA Articles 43, 56, 117, 119 and 128, and Commission Delegated Regulation (EU) 2024/1506.

🟠 **Medium impact** : The classification increases direct EU-level oversight of USDC's reserves, liquidity and redemption arrangements. Crypto-asset service providers and other firms using USDC should monitor the supervisory transition and assess whether their stablecoin exposure, due diligence and risk management arrangements remain appropriate.

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The EBA advises on targeted simplifications to Taxonomy disclosures

Publication date: 29 October 2026

What : The European Banking Authority (EBA) has published technical advice to the European Commission on simplifying certain Key Performance Indicators (KPIs) and disclosure requirements under the Disclosures Delegated Act of the EU Taxonomy Regulation. The proposals aim to reduce reporting complexity and improve the usability of sustainability disclosures by credit institutions and investment firms.

Key points

- The EBA's advice covers five main areas:
- Removing the Fees and Commissions KPI and Trading Book KPI from Taxonomy disclosure requirements.
- Simplifying the investment firms' 'other services' KPI, including capital markets-related services.
- Aligning grandfathering provisions with the EU Green Bond Regulation, limited to bonds issued under that Regulation.
- Excluding the operational expenditure KPI disclosed by non-financial undertakings from the calculation of financial undertakings' KPIs.
- Simplifying group-level disclosures by using the parent undertaking's KPIs, supplemented where appropriate by KPIs for material secondary activities, subject to defined conditions.
- The EBA also recommends simplifying and harmonising disclosure templates for credit institutions, asset managers and investment firms, including the Green Asset Ratio templates used by credit institutions.
- The advice was developed in cooperation with ESMA and EIOPA and reflects feedback received through the EBA's public consultation.

Next steps

The EBA has submitted its advice to the European Commission to inform its review of the Disclosures Delegated Act. The recommendations do not constitute changes to the current disclosure requirements; any amendments will depend on subsequent Commission action.

Further information

European Commission – Call for Technical Advice on Article 8 Taxonomy disclosures

EBA – Consultation on KPIs for Taxonomy disclosures

Medium impact : The proposals could reduce the volume and complexity of sustainability reporting for banks and investment firms. Firms should monitor the Commission's review and assess potential changes to their KPI calculations, data requirements and disclosure processes, but should continue applying existing requirements until amendments are adopted.

Basel Committee and global banking supervisors discuss supervisory priorities, digitalisation and regulatory developments

Publication date: 1 October 2026

What : The Basel Committee met in Indonesia on 28–29 September 2026 to discuss risks and vulnerabilities affecting the global banking system and advance its supervisory and regulatory initiatives. These discussions were followed by the 24th International Conference of Banking Supervisors (ICBS), held in Bali on 30 September–1 October 2026, which brought together approximately 300 central bankers and banking supervisors from more than 60 jurisdictions.

The meetings focused on the future of banking supervision, the impact of digitalisation, regulatory modernisation and the evolving risks facing banks and the wider financial system.

Key points

- The Basel Committee and ICBS discussions covered the following areas:
- Artificial intelligence and digitalisation: The Committee discussed the opportunities and risks arising from rapid AI developments, including cyber threats, operational vulnerabilities, leverage and interconnected financing arrangements. It will continue monitoring AI developments and review whether existing operational risk loss categories adequately capture cyber and AI-related risks.

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- Pillar 3 disclosures: The Committee approved a final standard for machine-readable Pillar 3 disclosures, aimed at improving the accessibility, comparability and processing of banks' risk information. Publication is expected by the end of 2026.
- Cryptoassets: The Committee advanced its targeted review of the prudential standard for banks' exposures to cryptoassets and expects to provide a further update by the end of 2026.
- Global Systemically Important Banks (G-SIBs): The Committee approved the results of the end-2025 G-SIB assessment exercise for submission to the Financial Stability Board. It also approved revisions to the assessment framework to reduce year-end window-dressing behaviour and agreed to consult on the treatment of cross-border exposures within the European banking union.
- Interest Rate Risk in the Banking Book (IRRBB): The Committee agreed to consult on additional Pillar 2 guidance to address identified shortcomings in banks' management of IRRBB.
- Supervisory effectiveness and regulatory simplification: Supervisors exchanged views on risk-based and judgement-led supervision, proportionality and modernising regulatory requirements without weakening financial resilience. The Committee also developed voluntary supervisory tools covering credit risk and governance.
- Liquidity risk: The Committee is assessing targeted updates to its 2008 Principles for Sound Liquidity Risk Management and Supervision to reflect developments in regulation, supervision and market structure.
- AML/CFT supervision: A survey across 19 jurisdictions examined supervisory approaches to AML/CFT risk assessment data and methodologies. A summary of the findings is expected to be published.
- Bank–NBFI interconnectedness: Participants discussed growing links between banks and non-bank financial institutions, including synthetic risk transfers, associated risks and supervisory data gaps.
- Operational resilience: Discussions also covered banks' reliance on critical third-party service providers, cyber threats and wider information and communication technology risks.

Next steps

- The Committee expects several follow-up publications and consultations, including:
- Publication of the final machine-readable Pillar 3 disclosure standard by the end of 2026.
- An update on the cryptoasset prudential standard review by the end of 2026.
- Consultation on additional Pillar 2 guidance for IRRBB.
- Publication of revisions to the G-SIB assessment framework and consultation on cross-border exposures within the European banking union.
- Further work on liquidity risk, AML/CFT supervisory practices and operational risk categories.

Further information:

Basel Committee Chair – Strong and modern supervision in a fast-moving world

Basel Committee – Previous meeting and ICT risk management developments

Machine-readable Pillar 3 disclosures – Consultation

G-SIB revised assessment framework – Consultation

Basel framework – Cryptoasset standard amendments

Interest rate risk in the banking book – Basel standard

Principles for Sound Liquidity Risk Management and Supervision

🔴 **High impact** : Although the Basel Committee's decisions are not directly legally binding, they are likely to influence future EU and national prudential requirements and supervisory expectations. Banks should monitor developments on AI and operational risk, cryptoasset exposures, Pillar 3 disclosures, G-SIB methodology and IRRBB, and assess whether existing governance, risk management and reporting frameworks will need to be updated.

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Basel Committee reports further progress in the implementation of Basel III standards

Publication date: 5 October 2026

What : The Basel Committee on Banking Supervision has published its latest progress update on the implementation of Basel III across its 27 member jurisdictions. As at 30 September 2026, approximately three-quarters of member jurisdictions had published domestic regulations implementing the full set of Basel III standards.

Basel III is a set of internationally agreed prudential standards designed to make banks more resilient. It strengthens requirements for the amount and quality of capital banks must hold, improves risk management and introduces measures to limit excessive leverage and ensure banks can withstand financial stress.

Key points

- Implementation progress: Three-quarters of the 27 member jurisdictions have published regulations adopting the final Basel III standards.
- Capital and operational risk: Revised credit risk and operational risk standards, together with the output floor, are already effective in approximately 85% of member jurisdictions.
- Implementation deadlines: Almost all member jurisdictions have publicly announced that banks must apply Basel III by April 2027 or earlier.
- Output floor: This limits the extent to which banks using internal models can reduce their calculated risk-weighted assets below a minimum level based on standardised approaches. It is intended to improve consistency and comparability of capital requirements across banks.
- Ongoing monitoring: The Committee will continue monitoring implementation to ensure that the standards are adopted fully and consistently across jurisdictions.
- The update covers the final Basel III reforms published in December 2017 and the finalised minimum capital requirements for market risk published in January 2019. Although the original implementation date was 1 January 2023, implementation has progressed at different speeds across jurisdictions.

Next steps

- The Basel Committee will continue to monitor national implementation through its Regulatory Consistency Assessment Programme (RCAP), including the publication and effective dates of domestic regulations. The Committee is expected to assess whether member jurisdictions are implementing the framework fully and consistently, in line with the expectations reaffirmed by the Group of Central Bank Governors and Heads of Supervision in March 2026.

Further information

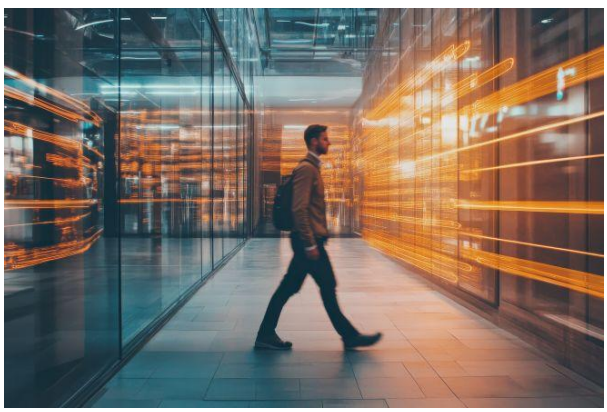
Basel Committee – Implementation progress update and monitoring dashboard

Basel III: Finalising post-crisis reforms

Minimum capital requirements for market risk

GHOS – March 2026 statement on Basel III implementation

🔴 **High impact** : The update confirms that Basel III implementation is approaching completion across major banking jurisdictions, with April 2027 an important deadline for many banks. Banks should assess the status of implementation in each jurisdiction where they operate and ensure that capital, credit risk, operational risk, market risk and internal model frameworks are aligned with the applicable domestic requirements. Differences in national implementation dates may also affect cross-border groups and regulatory reporting.



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ESMA clarifies supervisory expectations for services involving unauthorised stablecoins

Publication date: 8 October 2026

What: ESMA has published an Opinion clarifying its supervisory expectations for crypto-asset services involving Asset-Referenced Tokens (ARTs) and E-Money Tokens (EMTs) that are not compliant with the Markets in Crypto-Assets Regulation (MiCA). The opinion is primarily addressed to national competent authorities (NCAs) and builds on ESMA's previous guidance, with the aim of promoting a consistent approach to MiCA supervision across the EU.

Key points:

- ESMA expects authorised crypto-asset service providers (CASPs) not to provide services to EU clients in relation to non-MiCA-compliant ARTs or EMTs.
- The expectation covers all crypto-asset services under MiCA, including trading platforms, exchange services, execution and transmission of orders, placement, advice and portfolio management, transfers, and custody and administration.
- The position applies regardless of whether the individual service would itself constitute an offer to the public or an admission to trading. ESMA's focus is on whether CASPs maintain or facilitate EU client access to tokens that have not been offered or admitted to trading in accordance with MiCA.
- ESMA considers that facilitating such access may expose clients to tokens without the issuer-level safeguards required under MiCA and could undermine the regulation's objectives and create an uneven competitive environment between compliant and non-compliant market participants.
- Risk warnings and disclaimers are not considered sufficient remediation. Authorised CASPs are expected to cease services involving non-compliant ARTs and EMTs rather than simply informing clients of the associated risks.
- NCAs are expected to assess whether supervised CASPs enable EU clients to acquire, trade, exchange, subscribe for, maintain or otherwise increase exposure to non-compliant ARTs or EMTs.
- CASPs should implement appropriate technical, contractual and organisational controls to prevent non-compliant tokens from being made available through their services.
- Remediation period: NCAs may allow a strictly limited range of residual services where necessary to facilitate an orderly wind-down and avoid client detriment. Existing or legacy exposures should be addressed by 8 January 2027.
- During the wind-down period, activities should generally be limited to the liquidation, conversion or withdrawal of existing positions and remain subject to close supervisory oversight. This means the remediation period should not be treated as an opportunity to continue onboarding clients or increasing exposure to non-compliant tokens.

Next steps:

ESMA will monitor the timely and consistent application of the opinion in cooperation with NCAs. CASPs should therefore review all ARTs and EMTs accessible through their platforms, identify tokens that do not meet MiCA requirements, assess affected clients and positions, and implement the necessary technical, contractual and organisational controls ahead of the 8 January 2027 deadline.

High impact: The opinion creates a significant near-term compliance priority for CASPs offering stablecoin-related services in the EU. Firms should undertake a token-by-token MiCA compliance assessment, review their listings and product-governance frameworks, and ensure that trading, custody, transfer and other relevant infrastructure can restrict access to non-compliant ARTs and EMTs. Firms should also document their wind-down approach, client communications and governance decisions, as disclaimers alone will not satisfy the supervisory expectation.

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Commission adopts amending delegated regulation on organisational requirements of trading venues and circuit breakers under MiFID II

Publication date: 1 October 2026

What: The European Commission has adopted a delegated regulation amending the Regulatory Technical Standards (RTS) in Delegated Regulation (EU) 2017/584 concerning certain organisational requirements for trading venues and circuit breakers under MiFID II. The amendments follow ESMA's final report published in April 2025 and are intended to update the framework in light of developments to the EU's digital and trading-market regulatory framework.

Key points:

- The scope of Delegated Regulation (EU) 2017/584 is amended so that it applies to trading venues where order submission and order matching are facilitated by electronic means. This provides greater clarity around the trading environments subject to the organisational requirements.
- The amendments take account of changes to MiFID II introduced through DORA and MiFID III, ensuring that the RTS remain aligned with the wider EU regulatory framework applicable to trading venues and investment firms.
- The Amending Delegated Regulation introduces common principles for circuit breakers, strengthening the consistency of mechanisms used by trading venues to manage significant price movements and maintain orderly markets.
- It also specifies the information that trading venues must disclose concerning their circuit breakers, supporting greater transparency for market participants and allowing users of trading venues to better understand when and how trading interruptions or other safeguards may be triggered.
- The amendments form part of the broader efforts to ensure that trading-venue organisational requirements remain appropriate as electronic trading, market infrastructure and EU digital operational-resilience requirements evolve.

Next steps:

The amending Delegated Regulation will now be subject to scrutiny by the European Parliament and the Council of the European Union. If neither institution objects within the applicable scrutiny period, the regulation will be published in the Official Journal of the European Union.

It will enter into force on the third day following publication in the Official Journal.

Medium impact: Trading venues should review their electronic trading arrangements, organisational controls and circuit-breaker frameworks, including the methodology used to trigger trading interruptions and the information made available to market participants. Firms should also assess whether existing policies, procedures and disclosures remain aligned with the updated RTS, particularly where their systems or trading models have changed in response to DORA, MiFID III or increased electronic trading requirements.



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Council agrees position on measures to deepen EU capital markets

Publication date: 9 October 2026

What: The Council of the European Union has agreed the key elements of its negotiating position on the Market Integration and Supervision Package (MISP), a central component of the EU's Savings and Investments Union (SIU). The package aims to deepen EU capital markets by strengthening EU-level supervision, reducing cross-border barriers and regulatory fragmentation, and facilitating the adoption of new technologies in trading and settlement.

Key points:

- Greater ESMA supervision: Supervisory responsibilities for the most significant cross-border trading venues and certain post-trading entities, including Central Securities Depositories (CSDs) and Central Counterparties (CCPs), would be transferred from National Competent Authorities (NCAs) to ESMA.
- New pan-European market operator framework: A voluntary Pan-European Market Operator (PEMO) framework would allow eligible trading venues to operate multiple venues across the EU under a single licence and direct ESMA supervision, facilitating cross-border market integration.
- Proportionate supervision of CASPs: Unlike the European Commission's original proposal, the Council's position would subject only the most significant cross-border CASPs to direct ESMA supervision, rather than extending this requirement to all CASPs.
- Revised ESMA governance: A new full-time executive board, comprising a chair and five independent members, would oversee ESMA's operations and take entity-specific supervisory decisions concerning directly supervised firms. The board of supervisors would retain responsibility for regulatory decisions, strategy, budget and supervisory convergence.
- Continued involvement of national authorities: NCAs would retain an important role by contributing national expertise through ESMA's governance and supervisory arrangements.
- Transitional arrangements: A proposed two-year transition period would allow supervisory responsibilities to be transferred gradually, supported by ESMA-led teams comprising EU and national experts.
- DLT Pilot Regime reforms: The Council supports amendments to the Distributed Ledger Technology (DLT) Pilot Regime to broaden access to the regulatory sandbox and increase the level of financial activity permitted. This is intended to encourage experimentation with digital assets and DLT-based market infrastructure.

Next steps:

The Council's negotiating position will be finalised following political agreement and formally adopted. Negotiations with the European Parliament can begin once Parliament has adopted its own position.

The proposals remain subject to the EU legislative process, meaning that the final allocation of supervisory responsibilities, the scope of direct ESMA supervision and transitional arrangements may change before adoption.

High impact: The proposed reforms could significantly reshape the EU's financial supervisory landscape by centralising oversight of major cross-border market participants within ESMA. Trading venues, CSDs, CCPs and larger CASPs should monitor the legislative developments and assess the potential implications for their supervisory relationships, authorisation arrangements, governance structures, regulatory reporting and compliance frameworks. Smaller CASPs may benefit from the Council's more proportionate approach to direct ESMA supervision, although they would remain subject to applicable MiCA requirements and national supervisory oversight. The proposed DLT Pilot Regime changes may also create opportunities for firms developing tokenisation and DLT-based financial market infrastructure.

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ESAs set out Joint Committee priorities for 2027

Publication date: 13 October 2026

What: The Joint Committee of the European Supervisory Authorities (ESAs), comprising the European Banking Authority (EBA), European Insurance and Occupational Pensions Authority (EIOPA) and European Securities and Markets Authority (ESMA), has published its 2027 Annual Work Programme. The programme identifies cross-sectoral priorities requiring coordinated action across the banking, insurance and securities sectors, with a particular focus on digital operational resilience, consumer protection, sustainable finance and emerging financial technologies.

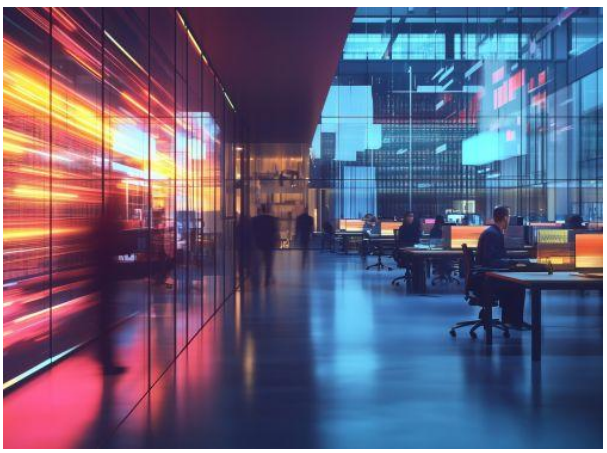
Key points:

- Digital operational resilience: Continued implementation and oversight of the Digital Operational Resilience Act (DORA), including the oversight of critical ICT third-party providers, examinations, follow-up on recommendations and analysis of major ICT-related incidents.
- Consumer protection and sustainable finance: Further work on Packaged Retail and Insurance-based Investment Products (PRIIPs) disclosures and the evolving Sustainable Finance Disclosure Regulation (SFDR) framework, including technical work and supervisory convergence.
- Cross-sectoral risk monitoring: Publication of semi-annual risk updates and continued monitoring of vulnerabilities and interconnected risks across the EU financial system.
- Securitisation: Continued coordination on securitisation reforms and related reporting requirements, supporting consistent implementation across the financial sectors.
- Financial conglomerates: Further work on supervisory and prudential arrangements, including a planned consultation on financial conglomerate capital adequacy reporting in Q1 2027.
- Technological innovation: Increased cross-sectoral monitoring of artificial intelligence (AI), tokenisation and emerging business models through the European Forum for Innovation Facilitators (EFIF).

Next steps:

The ESAs will implement the programme throughout 2027, coordinating their technical work, supervisory activities and policy initiatives in the identified areas. Further consultations, guidance and supervisory convergence activities are expected as individual workstreams progress.

Medium impact: The Joint Committee programme does not itself introduce new regulatory obligations. However, it signals continued coordination and supervisory attention across the three financial sectors, particularly concerning DORA, consumer protection, sustainable finance, cross-sectoral risks and emerging technologies. Firms operating across multiple financial sectors should monitor developments to ensure consistency in their compliance, risk management and governance arrangements.



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ESMA clarifies continued access for EU market participants to third-country central securities depositories

Publication date: 7 October 2026

What : ESMA has published a statement clarifying the continued access of EU market participants to certain services provided by Central Securities Depositories (CSDs) established outside the EU (third-country CSDs) after 17 January 2027.

The clarification addresses uncertainty surrounding the expiry of the current transitional arrangements under the Central Securities Depositories Regulation (CSDR), while the EU works towards extending those arrangements through its proposed Market Integration and Supervision Package (MISP).

A CSD is an institution responsible for the safekeeping of securities, maintaining records of ownership and facilitating the settlement of securities transactions.

Key points

- Current legal framework: Under Article 25 of CSDR (Regulation (EU) No 909/2014), third-country CSDs generally need to obtain recognition by ESMA to provide certain services in the EU relating to financial instruments governed by the law of an EU Member State.
- Transitional arrangements: Certain third-country CSDs currently benefit from temporary arrangements allowing them to provide notary and central maintenance services without completing the full ESMA recognition process. These arrangements are due to expire on 17 January 2027.
- Proposed extension: The European Commission's proposed MISP includes a three-year extension of the existing transitional arrangements, starting from the date on which the new legislation enters into force. This would give affected third-country CSDs additional time to meet the applicable EU recognition requirements.
- ESMA clarification: ESMA considers that EU market participants should not be prevented from continuing to access the relevant services of third-country CSDs after 17 January 2027 while the legislative extension is being finalised. ESMA also expects national competent authorities not to prioritise supervisory or enforcement action against non-recognised third-country CSDs during this interim period.
- Market concerns: Issuers and other market participants had raised concerns that uncertainty over continued access could create operational difficulties, particularly where securities are issued, recorded or maintained through third-country CSDs.

Next steps

The European Parliament and Council will continue negotiations on the MISP and the proposed three-year extension. Until the legislative changes are formally adopted and enter into force, the existing CSDR framework remains legally applicable. ESMA's statement provides transitional supervisory clarity but does not itself amend or extend the current legal regime.

Further information:

ESMA – Statement on third-country CSDs

ESMA – Clarifies access for EU market participants to third-country CSD services

Impact assessment.

Medium impact : The clarification reduces uncertainty for EU issuers, investment firms and other market participants relying on third-country CSDs for securities issuance, safekeeping and settlement-related services. Firms should identify relevant dependencies, confirm continuity arrangements with their CSDs and monitor the MISP negotiations. The proposed three-year extension is not yet law, so firms should not treat ESMA's statement as a permanent exemption from the CSDR recognition requirements.



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ESMA seeks evidence on the use of tokenised collateral in central clearing

Publication date: 9 October 2026

What : ESMA has launched a Call for Evidence to gather industry views on the potential use of tokenised collateral by Central Counterparties (CCPs) in the EU.

Collateral is cash or other eligible assets pledged to secure financial transactions and protect against losses if a participant defaults. CCPs are financial market infrastructures that stand between buyers and sellers of certain financial transactions, becoming the buyer to every seller and the seller to every buyer. They reduce counterparty risk by managing collateral, monitoring exposures and ensuring that contractual obligations are met.

ESMA is examining whether tokenised assets could be accepted as collateral by EU CCPs, and whether existing regulatory and operational safeguards are sufficient to manage the associated risks.

Key points

- What is tokenised collateral? It refers to assets represented or issued in digital token form, typically using Distributed Ledger Technology (DLT). This could include tokenised versions of traditional assets, such as securities held in conventional infrastructures (sometimes called digital twins), or assets issued directly on a DLT-based platform.
- Potential benefits: Tokenisation could enable faster collateral transfers, more efficient collateral management, improved transparency and greater interoperability between financial market infrastructures.
- Collateral lifecycle: ESMA is examining how tokenised collateral would be transferred, held, managed, protected and ultimately realised throughout its lifecycle.
- Default and liquidity risks: A key concern is whether a CCP could quickly access, transfer or convert tokenised collateral into cash if a clearing member defaults, including during periods of market stress.
- Legal and operational safeguards: ESMA is seeking views on legal enforceability, settlement finality, client asset protection, segregation of collateral and the interaction between DLT-based platforms and traditional market infrastructures.
- Risk profile: ESMA also wants to understand whether tokenising an asset that is already eligible as collateral changes its risk characteristics, even if the underlying asset itself remains unchanged.
- Importantly, tokenisation does not automatically make an asset suitable as CCP collateral. Existing safeguards remain essential: collateral must be of high quality, legally enforceable, sufficiently liquid and readily available when needed, including under stressed market conditions.

Next steps

Interested stakeholders, including CCPs, clearing members, banks, asset managers, custodians, technology providers and other market participants, are invited to respond by 15 January 2027 through ESMA's consultation webpage.

ESMA intends to assess the feedback during the first quarter of 2027 and determine whether further regulatory or supervisory action is appropriate.

Further information

ESMA – Call for Evidence on tokenised collateral in central clearing

ESMA – Press release

ESMA – Consultation webpage

Medium impact:: There are no immediate new regulatory obligations, as this is an evidence-gathering exercise rather than a proposal to change the rules. However, the outcome could influence future requirements for CCPs and firms involved in clearing, custody and collateral management. Relevant firms should assess the legal, liquidity, operational and technology risks of tokenised collateral and consider responding to ESMA by 15 January 2027.

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ESMA reports continued growth in cross-border investment services

Publication date: 14 October 2026
Area: Investor protection

What : ESMA, working with National Competent Authorities (NCAs), published its annual analysis of the cross-border provision of investment services across 30 EU/EEA jurisdictions.

The analysis found that cross-border investment activity continued to grow significantly in 2025, particularly in the retail market. Approximately 15.5 million retail clients received investment services from firms established in another EU/EEA jurisdiction, almost double the number recorded in 2023.

The findings highlight the increasing importance of cross-border investment services within the EU/EEA and the need for effective cooperation between home and host regulators to protect retail investors.

Key points

- 379 firms provided cross-border investment services to retail clients, compared with 370 in 2024, representing an increase of approximately 2%.
- The number of retail clients increased by 47% compared with 2024, reaching approximately 15.5 million.
- The total number of complaints remained broadly stable at 10,945, compared with 10,968 in 2024. Given the significant increase in the number of clients, complaints decreased proportionately.
- Cross-border activity remained concentrated in a small number of home jurisdictions. Cyprus, Luxembourg and Germany accounted for approximately 47% of firms providing these services.
- Lithuania overtook Cyprus as the jurisdiction with the highest number of retail clients served cross-border, with 4.9 million clients, compared with 4.2 million for Cyprus.
- Lithuania, Cyprus, Germany, Ireland and Malta collectively accounted for approximately 88.5% of all cross-border retail clients in the EU/EEA.
- On average, firms provided cross-border investment services to retail clients in 17 other jurisdictions. Firms based in Austria, Cyprus, Ireland and Lithuania reported activity across all the other 29 EU/EEA jurisdictions.

Cyprus – key findings

- Cyprus continued to play a significant role as a home jurisdiction for firms providing cross-border investment services:
- 78 Cyprus-based firms provided cross-border investment services to retail clients, representing approximately 21% of all firms in the EU/EEA. This was slightly lower than the 79 firms reported in 2024.
- Cyprus had the largest number of investment firms providing cross-border services, with 76 investment firms, representing approximately 35% of the EU/EEA total for this category.
- Cyprus-based firms served approximately 4.2 million retail clients in other EU/EEA jurisdictions, up from 3.6 million in 2024. This represented approximately 27% of all cross-border retail clients, placing Cyprus second behind Lithuania.
- Two Cyprus-based firms provided services to retail clients in all the other 29 EU/EEA jurisdictions, demonstrating the extensive geographical reach of some firms operating from Cyprus.
- Cyprus-based firms reported 1,908 complaints, an increase of approximately 73% compared with 2024. This represented 17% of all complaints reported across the EU/EEA.
- Cyprus was among the five jurisdictions reporting the largest increases in cross-border retail clients, alongside Lithuania, Germany, Malta and Ireland.
- Overall, the figures confirm Cyprus's continued importance as a centre for cross-border investment services. They also highlight the scale of retail investor relationships managed by Cyprus-based firms and the importance of maintaining effective investor-protection arrangements.

Complaints and supervisory considerations

- Although the overall number of complaints across the EU/EEA remained stable, complaints were concentrated in a small number of jurisdictions. Ireland accounted for 24% of complaints, followed by Lithuania (21%), Germany (20%) and Cyprus (17%). Together, these four jurisdictions accounted for approximately 82% of all complaints.

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- The report also highlights the concentration of retail clients among a relatively small number of firms. The top five firms served approximately 10.9 million clients, representing 70% of the total, while the top 20 firms accounted for approximately 91%.
- This concentration may enable NCAs to adopt more targeted, risk-based supervisory approaches, particularly towards firms with large cross-border client bases and significant complaint volumes.

Next steps

ESMA will conduct its next data collection exercise in 2027. The findings will continue to support ESMA and NCAs in monitoring cross-border investment activity, identifying emerging risks and assessing developments affecting retail investor protection.

Further information:

ESMA press release – Continued growth in cross-border investment services

ESMA report on cross-border data collection

ESMA's 2024 cross-border investment activity data

Medium impact : The growth in cross-border retail investment services increases the importance of effective conduct, complaints handling and investor-protection controls across jurisdictions. Cyprus-based firms should pay particular attention to the findings, given their significant share of cross-border firms and retail clients, as well as the increase in reported complaints. Firms should ensure that passporting permissions and notifications are up to date and that suitability and appropriateness assessments, client disclosures, complaints handling and other applicable conduct requirements are consistently applied across the markets in which they operate. The data may also inform supervisory priorities and risk-based monitoring by CySEC and other NCAs.

ESMA's third Sanctions Report highlights the need for greater convergence in enforcement

Publication date: 15 October 2026

What : ESMA published its third consolidated report on sanctions and measures imposed by national authorities across the European Economic Area (EEA) during 2025.

The report provides an overview of enforcement activity under EU financial legislation within ESMA's remit. It highlights differences between jurisdictions in the number and type of sanctions imposed, the level of fines and the use of settlement procedures, pointing to the need for more consistent enforcement across the EU.

Key points

- More than 950 administrative sanctions and measures were imposed by national authorities across the EEA in 2025, broadly stable compared with the previous two years.
- The total value of administrative fines amounted to approximately €82 million.
- Enforcement activity remained concentrated mainly on breaches of:
- Market Abuse Regulation (MAR): rules prohibiting insider dealing, unlawful disclosure of inside information and market manipulation.
- MiFID II/MiFIR: requirements governing investment services, investment firms, trading venues and market transparency.
- Germany, France and Spain accounted for approximately two-thirds of the total value of administrative fines imposed across the EEA.
- ESMA identified significant differences between jurisdictions in:
- The number and types of sanctions imposed.
- The level of financial penalties.
- The use of settlement procedures, whereby cases may be resolved through an agreed process between the authority and the subject of an investigation.
- The report also noted an increased use of settlements.

Need for greater supervisory convergence

- ESMA considers that similar regulatory breaches should lead to broadly comparable enforcement outcomes, irrespective of the Member State in which they occur.
- Differences in enforcement activity may reflect factors such as market size, supervisory resources, the number and nature of detected breaches and national enforcement practices. ESMA therefore cautions against measuring supervisory effectiveness solely by the number or value of sanctions imposed.

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- Nevertheless, consistent and effective enforcement is important for maintaining confidence in EU financial markets and ensuring that firms are subject to a comparable level of regulatory accountability across jurisdictions.

Next steps

- ESMA will continue to promote cooperation and the exchange of information between national securities regulators, including through discussions of enforcement cases and supervisory practices.
- The objective is to improve consistency in the application of EU capital markets legislation so that comparable breaches result in comparable enforcement outcomes across Member States.

Further information

ESMA press release – Third Sanctions Report
Report on sanctions and measures imposed in Member States in 2025
Enforcement snapshot – Sanctions and measures under EU Acts in 2025
Consolidated sanctions report – 2025 data (Excel)

Medium impact : The report does not introduce new regulatory obligations but signals ESMA's continued focus on consistent enforcement across the EU/EEA. Investment firms, banks and other regulated entities should expect closer attention to the effectiveness of their compliance arrangements, particularly in relation to market abuse prevention, transaction monitoring, inside information controls, conflicts of interest and market conduct. Firms operating across multiple jurisdictions should also be aware that differences in national enforcement practices may narrow over time. Cyprus-based firms should note the potential for increased supervisory scrutiny as ESMA continues to promote more consistent enforcement standards among NCAs, including CySEC.



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ESMA updates its Transparency Manual with new guidance on OTC derivatives and the tick-size regime

Publication date: 15 October 2026

What: ESMA updated its Manual on Transparency to provide further guidance on identifying Over-The-Counter (OTC) derivatives subject to transparency requirements and to promote a more consistent application of the tick-size regime across EU trading venues.

The update also clarifies how identifying reference data for OTC derivatives should be reported for transparency purposes. This is intended to improve the consistency and quality of information submitted to and published through the consolidated tape.

Key points

- OTC derivatives identification: The manual provides guidance on determining which OTC derivatives are subject to transparency requirements. OTC derivatives are financial contracts negotiated outside a regulated trading venue, rather than traded on an exchange.
- Reference data reporting: ESMA clarifies how identifying reference data for OTC derivatives should be provided. This information helps identify financial instruments and determine the applicable transparency requirements.
- Consolidated tape: More consistent reference data should improve the quality and comparability of published trading information. A consolidated tape brings together trading data from multiple sources, providing a more comprehensive view of market activity.
- Tick-size regime: The manual incorporates published ESMA Q&As and recommendations on applying the tick-size requirements. A tick size is the minimum permitted price increment at which a financial instrument can be quoted or traded.
- Supervisory intervention: The guidance addresses circumstances in which trading venues and NCAs may intervene in the application of the tick-size regime, supporting more consistent supervisory approaches across Member States.

Next steps

- The updated manual's guidance on OTC identifying reference data should be treated as draft guidance until the related Regulatory Technical Standards (RTS) enter into force. These include RTS 2 and the RTS on Consolidated Tape Provider (CTP) input/output data.
- Market participants should therefore distinguish between the guidance already available in the manual and requirements that will become applicable once the relevant technical standards enter into force.

Further information:

ESMA press release – Updated Manual on Transparency

ESMA Manual on Transparency

ESMA Questions and Answers

Medium impact : The update provides additional guidance rather than introducing immediate new obligations. Investment firms, trading venues and data reporting service providers should review their OTC derivatives identification and reference data reporting processes, as well as their application of tick-size requirements. Firms should also monitor the adoption and entry into force of the related technical standards, as these will determine when the draft OTC reference data guidance becomes applicable. Consistent implementation should improve transparency reporting and reduce the risk of divergent practices across EU markets.



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One year to go until T+1 settlement: ESMA confirms regulatory framework is complete and calls for market readiness

Publication date: 16 October 2026

What: ESMA confirmed that the regulatory framework for the EU's transition to T+1 settlement is complete and called on market participants to accelerate their operational preparations.

The EU will move from T+2 to T+1 settlement on 11 October 2027. This means that most securities transactions will need to settle one business day after the trade date, instead of two.

The transition is intended to reduce settlement risk, improve market efficiency and align the EU with other major markets that have already moved to shorter settlement cycles.

ESMA emphasised that the remaining challenge is now operational: firms need to assess readiness across their entire trading and settlement chains, complete system changes and begin testing as soon as possible.

Key points

- Transition date: The EU will introduce T+1 settlement on 11 October 2027.
- Regulatory framework completed: ESMA published its revised Guidelines on standardised procedures and messaging protocols, complementing the relevant Regulatory Technical Standards (RTS).
- First compliance deadline – 7 December 2026: Investment firms and their clients must comply with the new requirements for the allocation and confirmation of transactions.
- Standardised communications: The revised Guidelines clarify the requirements for using:
- Electronic and standardised communication channels.
- International messaging standards.
- Machine-readable communication methods, except in cases of temporary technical disruption.
- Industry-wide readiness: ESMA called on market participants to assess preparedness across the entire trading and settlement chain, including clients, counterparties, trading venues, Central Counterparties (CCPs), Central Securities Depositories (CSDs), custodians and other service providers.
- **What does T+1 mean in practice?**
- Under the current T+2 settlement cycle, a securities trade executed on Monday would normally settle on Wednesday. Under T+1, it would settle on Tuesday, assuming both days are business days.
- This shorter timeframe reduces the period during which parties are exposed to settlement risk but leaves less time to complete operational processes, including:
- Trade matching and confirmation.
- Allocation of transactions between investment firms and their clients.
- Foreign exchange arrangements and funding.
- Collateral and securities availability.
- Settlement instructions and reconciliation.
- Exception management and resolution of failed trades.
- The transition therefore requires coordinated changes across the market, rather than simply updating settlement systems at individual firms.

Next steps

ESMA has called on market participants to:

- Finalise technical and operational preparations for the new settlement cycle.
- Assess readiness across their full business and service-provider ecosystems.
- Implement the new allocation and confirmation requirements by 7 December 2026.
- Begin end-to-end testing as soon as possible, involving relevant counterparties and service providers.
- Consider the recommendations of the EU T+1 Industry Committee when planning implementation.
- The overall transition deadline remains 11 October 2027.

Further information

ESMA press release – One year to go for T+1 settlement

Regulatory Technical Standards (RTS)

ESMA Guidelines on standardised procedures and messaging protocols

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🔴 High impact: The transition represents a significant operational change for investment firms, banks, custodians and other market participants involved in securities trading and settlement. Firms should prioritise implementation of the new allocation and confirmation requirements by 7 December 2026, followed by comprehensive end-to-end testing ahead of October 2027. Particular attention should be given to trade processing automation, client and counterparty connectivity, funding and foreign exchange arrangements, settlement instructions and exception management. Firms should also engage with their service providers and counterparties to ensure that readiness is assessed across the entire settlement chain. The December 2026 deadline is an important first milestone and should not be confused with the final T+1 implementation date in October 2027.

📰 ESMA finalises revised Guidelines on delaying the disclosure of inside information

Publication date: 16 October 2026

What : ESMA finalised its revised Guidelines on the delay in the disclosure of inside information under the Market Abuse Regulation (MAR).

Under MAR, issuers must disclose inside information directly concerning them to the public as soon as possible, so that investors receive timely information and the risk of insider dealing is reduced.

However, issuers may delay disclosure where specific conditions are met, including where immediate disclosure would prejudice their legitimate interests, provided that the other applicable MAR conditions are satisfied.

Following a public consultation, ESMA has updated and streamlined its Guidelines by identifying five additional situations in which an issuer's legitimate interests may justify delaying disclosure.

Key points

1. Five additional legitimate interests for delaying disclosure

- ESMA has identified the following circumstances:
- Request from a public authority: Where an issuer has been requested by a public authority not to disclose information.
- Need for further information: Where the issuer needs to collect additional information to allow market participants to assess the information correctly.
- Protection of commercial opportunities: Where disclosure of commercially sensitive information could jeopardise a business opportunity.
- Appointment of senior personnel: Where disclosure could jeopardise the appointment of a member of the issuer's management or governing body, or a manager holding a key position.
- Information concerning group companies: Where disclosure of inside information relating to another company within the same group could directly prejudice the issuer and undermine the effectiveness of a delay applied by another group company.
- These examples are non-exhaustive and provide guidance rather than automatic exemptions from MAR disclosure requirements.

2. Removal of guidance relating to protracted processes

- Since June 2026, issuers have no longer been required to immediately disclose inside information relating to intermediate steps in protracted processes before those processes are completed.
- Consequently, ESMA has removed the corresponding legitimate-interest examples from the revised Guidelines. This is intended to simplify the disclosure framework and reduce unnecessary regulatory burdens.

3. Existing MAR conditions remain applicable

- The revised Guidelines do not create a general right to delay disclosure. Issuers must still satisfy the applicable MAR conditions, including ensuring that:
- Immediate disclosure would be likely to prejudice their legitimate interests.
- The delay is not likely to mislead the public.
- The issuer is able to ensure the confidentiality of the information.
- Where confidentiality can no longer be maintained, the issuer must disclose the inside information as soon as possible.

Next steps

The revised Guidelines will apply from the date they are published on ESMA's website in all 24 official EU languages.

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Issuers should review their existing inside-information disclosure policies and delay procedures to reflect the revised examples and the changes concerning protracted processes.

Further information:

ESMA press release – Revised Guidelines on delay in disclosure of inside information

Final Report – MAR Guidelines on delay in the disclosure of inside information

Medium impact : The revised Guidelines provide issuers with greater clarity on circumstances that may justify delaying the disclosure of inside information, while supporting a more consistent application of MAR across the EU. Issuers should review their inside-information policies, disclosure controls and escalation procedures, ensuring that decisions to delay disclosure are properly documented and supported by the relevant conditions. Particular attention should be given to confidentiality controls, communications with public authorities, commercially sensitive information and senior management appointments. The changes may also reduce unnecessary disclosure burdens relating to intermediate steps in protracted processes.

ESMA specifies requirements for the safe use of post-trade risk reduction services

Publication date: 20 October 2026

What : ESMA published its final report setting out the conditions under which certain transactions resulting from Post-Trade Risk Reduction (PTRR) services can benefit from an exemption from the clearing obligation under EMIR 3.

PTRR services help financial institutions reduce risks in their existing derivatives portfolios by adjusting or replacing selected transactions. For example, a bank may use these services to reduce its exposure to changes in interest rates or the risk that a counterparty defaults.

Under EMIR, certain standardised OTC derivatives must be cleared through a Central Counterparty (CCP), which manages the risk between the parties to a transaction. EMIR 3 provides a conditional exemption for qualifying PTRR transactions, recognising their risk-reduction purpose.

Key points

- ESMA's requirements cover:
- Information: Details that PTRR providers must give participants about each exercise.
- Execution: How PTRR exercises must be organised and conducted.
- Controls: Governance and internal controls that providers must maintain.
- Record-keeping: Records needed to demonstrate compliance.
- Monitoring: Oversight to ensure the exemption is used for genuine risk reduction and not to circumvent mandatory clearing.
- The rules build on existing market practices and aim to avoid unnecessary additional requirements.

Next steps

ESMA will submit the draft Regulatory Technical Standards (RTS) to the European Commission for endorsement. The requirements are therefore not yet final and binding rules.

Further information:

ESMA press release

ESMA Final Report

Medium impact : Banks, investment firms and derivatives dealers using PTRR services should review their existing arrangements against the proposed requirements, particularly concerning governance, participant information, transaction controls and record-keeping. Providers must be able to demonstrate that their services genuinely reduce portfolio risk and meet the conditions for the clearing exemption. Firms should monitor the Commission's endorsement of the RTS before making implementation changes.

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ESMA proposes simpler EU Taxonomy reporting requirements

Publication date: 29 October 2026

What: ESMA published its final report providing technical advice to the European Commission on simplifying Key Performance Indicators (KPIs) under the EU Taxonomy Disclosures Delegated Act.

The proposals aim to reduce reporting burdens for financial and non-financial companies while maintaining the usefulness, comparability and reliability of sustainability disclosures.

Key points

- ESMA recommends:
- Simplifying the OpEx KPI: Narrowing mandatory Operating Expenditure (OpEx) reporting to non-capitalised research and development expenditure. OpEx refers to operating costs incurred by a business.
- Simplifying group reporting: Removing the weighted-average KPI and making group-level Taxonomy disclosures easier to prepare.
- Improving proportionality: Focusing reporting on information that is most relevant and useful for investors and other users.
- Consistency: Coordinating the advice with the other European Supervisory Authorities (ESAs), particularly regarding voluntary use of counterparties' OpEx information and group-level reporting.
- The EU Taxonomy is the EU classification system that identifies economic activities considered environmentally sustainable. Companies use Taxonomy KPIs to disclose the extent to which their activities, expenditure and investments are aligned with its environmental criteria.

Next steps

- ESMA has submitted its technical advice to the European Commission, which will consider the recommendations when reviewing the Taxonomy Disclosures Delegated Act.
- The proposals do not immediately change existing reporting requirements; amendments will be needed before the revised approach becomes applicable.

Further information:

ESMA press release

ESMA Final Report – Technical Advice on selected Taxonomy KPIs

Medium impact : The proposals could reduce the complexity and cost of EU Taxonomy reporting, particularly for groups and companies with significant operating expenditure disclosures. Financial institutions and other reporting entities should monitor the Commission's review and assess the potential impact on their existing data collection, KPI calculations and group reporting processes. No immediate changes to reporting obligations are required, as the recommendations have not yet been incorporated into binding legislation.



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EU updates market transparency rules under MiFIR

Publication date: 23 October 2026

What : The European Commission has adopted new rules updating how investment firms and trading venues must make certain trading information available to the market. The changes are part of the wider review of MiFIR, the EU framework designed to promote transparency and fairness in financial markets.

Key points

- **Greater transparency:** Updates the information that must be made public before and after certain trades, particularly for derivatives.
- **Package orders:** Updates transparency requirements where several financial instruments are traded together as one transaction.
- **Consolidated tape:** Updates the data that will be collected and published through the **OTC derivatives consolidated tape** — a system designed to bring trading information from different sources into one place.
- **Entry into force:** 12 November 2026.
- **Application:** Most changes will apply from **1 March 2027**.

Next steps

Investment firms and trading venues should review the new requirements and assess whether changes are needed to their trading, reporting and data-management systems before March 2027.

Further information:

Commission Delegated Regulation (EU) 2026/1763 – EUR-Lex

🔴 **High impact**: Firms affected by MiFIR transparency requirements should assess the changes and prepare any necessary systems and reporting updates ahead of March 2027.



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CySEC highlights ESMA guidance on impact and climate transition claims

Publication date: 27 October 2026

What : CySEC draws the attention of regulated entities through Circular C809 to ESMA's third and fourth thematic notes, published on 12 October 2026, addressing impact claims and climate transition claims. The notes provide practical examples of good and poor market practices to help ensure sustainability-related communications are clear, fair and not misleading.

Key points

- Impact claims: Firms should clearly explain the positive environmental or social impact they intend to achieve, how they expect to generate it and how results will be measured.
- Transition claims: Firms should communicate their transition objectives, implementation plans and methods for assessing progress, including relevant assumptions, data limitations and external dependencies.
- Communications: Claims should be supported by appropriate evidence and presented in a balanced manner to avoid misleading investors or creating greenwashing risks.
- Scope: The guidance covers sustainability claims in non-regulatory communications relating to funds, bonds and benchmarks.
- The notes do not introduce new regulatory requirements but provide practical guidance on applying existing expectations.

Next steps

CySEC expects regulated entities to consider the guidance when complying with their existing ESG obligations. Firms should review sustainability-related marketing materials, product disclosures and other investor communications.

Further information:

CySEC Circular C809

ESMA – Impact Claims thematic note

ESMA – Transition Claims thematic note

Medium impact : Firms should review sustainability claims and supporting evidence to ensure communications are clear, substantiated and not misleading, reducing the risk of greenwashing.



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Glossary

AIF – Alternative Investment Fund

AIFMD – Directive 2011/61/EU on Alternative Investment Fund Managers

AIFM – Alternative Investment Fund Manager

AMLA – Anti-Money Laundering Authority

AML/CFT – Anti-Money Laundering and Countering the Financing of Terrorism

Basel III – International regulatory framework for bank capital, liquidity and risk management

CASP – Crypto-Asset Service Provider

CCyB – Countercyclical Capital Buffer

CRD – Capital Requirements Directive

CRR – Capital Requirements Regulation

CSDDD – Corporate Sustainability Due Diligence Directive

CSDR – Central Securities Depositories Regulation

CTP – Consolidated Tape Provider

CySEC – Cyprus Securities and Exchange Commission

DeFi – Decentralised Finance

DLT – Distributed Ledger Technology

DORA – Digital Operational Resilience Act

EBA – European Banking Authority

ECB – European Central Bank

ECON – Committee on Economic and Monetary Affairs of the European Parliament

EDAP – European Data Access Portal

EFRAG – European Financial Reporting Advisory Group

EIOPA – European Insurance and Occupational Pensions Authority

EMIR – European Market Infrastructure Regulation

EMT – Electronic Money Token

ESA – European Supervisory Authority

ESAs – European Supervisory Authorities (EBA, EIOPA and ESMA)

ESG – Environmental, Social and Governance

ESMA – European Securities and Markets Authority

ESRS – European Sustainability Reporting Standards

ESRB – European Systemic Risk Board

EU – European Union

EuGB – European Green Bond

FATF – Financial Action Task Force

FIU – Financial Intelligence Unit

FRTB – Fundamental Review of the Trading Book

G-SIIs – Global Systemically Important Institutions

ICT – Information and Communication Technology

INTERPOL – International Criminal Police Organization

IRC – Incremental Risk Charge

IRB – Internal Ratings-Based Approach

IOSCO – International Organization of Securities Commissions

ITS – Implementing Technical Standards

MiCA – Markets in Crypto-Assets Regulation

MiFID II – Directive 2014/65/EU on Markets in Financial Instruments

MiFIR – Markets in Financial Instruments Regulation

MREL – Minimum Requirement for Own Funds and Eligible Liabilities

NBFI – Non-Bank Financial Institution

NCA – National Competent Authority

OECD – Organisation for Economic Co-operation and Development

OJ – Official Journal of the European Union

P3DH – Pillar 3 Data Hub

PSD3 – Third Payment Services Directive

PSR – Payment Services Regulation

RTS – Regulatory Technical Standards

RWAs – Risk-Weighted Assets

SFDR – Sustainable Finance Disclosure Regulation

SIU – Savings and Investments Union

SNCI – Small and Non-Complex Institution

SREP – Supervisory Review and Evaluation Process

SyRB – Systemic Risk Buffer

TLAC – Total Loss-Absorbing Capacity

UCITS – Undertakings for Collective Investment in Transferable Securities

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