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Joint Committee Annual Report 2025

In 2025, the Joint Committee (JC), chaired by the European Insurance and Occupational Pensions Authority (EIOPA), continued to play a central coordinating role by facilitating dialogue and information exchange among the three European Supervisory Authorities (ESAs), the European Commission, and the European Systemic Risk Board (ESRB).

Throughout the reporting period, the JC and its dedicated sub-committees contributed to strengthening consumer protection, financial stability, and supervisory convergence across the European Union. In an environment marked by heightened geopolitical uncertainty, accelerating digitalisation, and rapid financial innovation, the ESAs focused on ensuring that regulatory frameworks remain robust, proportionate, and forward-looking.

Key priorities included safeguarding consumers in increasingly digital financial markets; reinforcing operational and cyber resilience under the Digital Operational Resilience Act (DORA); advancing sustainable finance disclosures; and deepening cross-sectoral risk assessments.

1. Digital operational resilience

The implementation of the Digital Operational Resilience Act (DORA) was at the core of the JC work in 2025.

On the policy side, the ESAs successfully delivered all mandated legal instruments under DORA, laying the foundation for enhanced digital operational resilience across the EU financial sector. They also launched new initiatives to promote supervisory convergence in the implementation of DORA by competent authorities. In parallel, they issued practical guidance and tools to support financial entities in preparing for DORA's application as of 17 January 2025.

In December, the ESAs replied to the European Commission's request to assess whether statutory auditors and audit firms should be included in the list of entities subject to DORA.

To enable effective oversight of critical third-party service providers (CTPPs), the ESAs completed all necessary preparatory work to establish the new governance structures, including the Joint Oversight Network and the Oversight Forum, and the respective methodologies and procedures to support conducting oversight activities. Between April and November 2025, based on a structured criticality assessment and using data from financial entities' registers of information under DORA, the ESAs designated nineteen CTPPs and appointed the Lead Overseer for each, which was the EBA. On 18 November 2025, the ESAs published the list of CTPPs. This represented a key milestone in the implementation of the DORA framework.

Following the designation, the ESAs started formal engagement with the CTPPs prepared draft oversight plan for the oversight activities in 2026 and prepared for collecting oversight fees from CTPPs as of 2026. The ESAs also progressively established the Joint Examination Teams by the end of 2025.

The ESAs published a study on the feasibility of further centralising ICT incident reporting. Furthermore, the ESAs operationalised the European Systemic Cyber Incident Coordination Framework (EU-SCICF) by adopting the Forum's Terms of Reference and initiating regular Forum activities. The framework aims to prepare and to facilitate communication and coordination between authorities in case of ICT-related incidents posing a risk to financial stability. The ESAs also finalised and submitted the A2 report to EU institutions, identifying legal and operational barriers and proposing measures to strengthen the framework. To enhance preparedness, the EU-SCICF developed and endorsed a crisis coordination protocol, executed a cross-member connectivity test (Q2) and a reactivity test (Q4), while establishing a repository that maps EU crisis frameworks and interactions. Finally, the ESAs set up the Cyber Incident Information Sharing and Threat Intelligence Exchange (CITE) under the EU-SCICF as the new EU-level mechanism for sharing cyber-incident intelligence promoting cross-jurisdictional exchange of threat information and lessons learned from major ICT incidents.

Taken together, these actions constitute a comprehensive and coordinated effort to bolster the EU's resilience to ICT-related risks, while significantly enhancing the financial system's collective capacity to respond to major digital disruptions and emerging cyber threats.

2. Simplification and burden reduction

The JC supports the Commission priority to simplify and reduce complexity and unnecessary burdens of the current EU financial legislative framework, with the aim of enhancing economic growth and the competitiveness of the Union. Efforts to make the regulatory framework more efficient must neither undermine the core objectives of safeguarding financial stability and protecting consumers, nor the integrity of the Single Market.

To support the EU's goal of reducing administrative and regulatory burden, the ESAs have already developed several targeted measures and initiatives within their respective sectoral mandates. In 2025, ESAs have started working on proposals to simplify the PRIIPs KID and have deprioritised an annual report on principal adverse impact disclosures under SFDR.This work will continue in 2026 by leveraging coordinated efforts through existing structures, in particular the JC, to ensure that simplification of financial services regulation is coherent and aligned for all topics with cross-sectorial relevance.

3. Joint risk assessments

In 2025, the JC continued to serve as a key forum for discussion of cross-sectoral risks and risk analysis. In the context of its work on micro-prudential assessments of cross-sectoral developments, risks, and vulnerabilities to financial stability, the JC prepared analytical material for the Spring risk presentation and published a comprehensive Joint Autumn 2025 Risk Report.

Global economic conditions became more challenging amid heightened geopolitical tensions and shifts in global trade policies. The introduction of new trade barriers, together with ongoing conflicts in Ukraine and the Middle East, increased uncertainty, weighed on growth prospects, and contributed to elevated market volatility. Economic growth forecasts were revised downward in early 2025, reflecting persistent uncertainty, the potential impact of trade disruptions, and diverging monetary policy paths among major economies. While some improvement in expectations emerged as trade measures became clearer, downside risks remained significant across 2025.

Against this backdrop, financial institutions and authorities should remain vigilant. Strengthening risk management practices, enhancing resilience to cyber threats, and ensuring preparedness for market shocks are essential. Continued monitoring of emerging risks and how they might impact the various financial sectors, including those related to digital assets and non-bank financial intermediation, are important to support financial stability and sustainable growth. Monitoring the progress on EU financial integration initiatives is important in this regard as well.

Geopolitical risks are cross-cutting and affect financial institutions through multiple channels, including market volatility, operational disruptions, and implications on market confidence. Ensuring continued unrestricted access to critical market infrastructures and third-party service providers, particularly those located outside the EU, is essential to prevent market stress and maintain investor confidence. Rapid shifts in trade and geopolitical conditions risk triggering abrupt market corrections, liquidity pressures, and credit deterioration.

Cyber risk remained a key and growing threat. Increasingly sophisticated cyberattacks, combined with high concentration among third-party IT service providers often domiciled in third countries, raised the risk of systemic incidents and contagion. At the same time, expanding links between traditional finance and crypto-asset markets, alongside growing exposures and interconnections to non-bank financial intermediaries and alternative investments including non-regulated ones, introduced growing sources of risk.

Crypto-asset exposures and interlinkages with the traditional financial system should continue to be closely monitored as these markets expand and business models evolve. Market participants should support EU initiatives such as the Savings and Investments Union and further progress on the Banking Union. A strong and credible supervisory framework remains essential to foster trust, channel savings into productive investment, and safeguard financial stability in an environment characterised by the growing role of non-bank financial intermediation and alternative investments.

4. Sustainable finance

The ESAs continued to monitor progress under the Sustainable Finance Disclosure Regulation (SFDR). The fourth Joint Report on Principal Adverse Impact (PAI) disclosures documented steady improvements in the quality and completeness of disclosures by financial market participants, at entity and product level. The 2025 report highlighted that larger multinational groups provide more detailed disclosures, while smaller entities continue to face challenges. National Competent Authorities confirmed that many firms have taken onboard good practices identified in earlier reports, especially about the completeness of the information. The ESAs published new Questions and Answers on the application of the SFDR Delegated Regulation.

The ESAs launched a public consultation on Joint Guidelines on ESG stress testing, as mandated by the Capital Requirements and the Solvency II Directive. The draft Guidelines set out how competent authorities for the banking and insurance sectors should integrate environmental, social and governance (ESG) risks when performing supervisory stress tests. They aim to harmonise methodologies and practices among supervisors in banking and insurance, ensure proportionality and enhance the effectiveness and efficiency of ESG stress testing. The JC finalised the work in 2025, and the final Guidelines were published in January 2026.

5. Consumer protection and financial innovation

In 2025, consumer protection remained at the heart of cross-sectoral work, notably in the areas of financial education and the implementation of the Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulation.

In the context of the EU Digital Finance Strategy, the ESAs contributed to ensuring that the regulatory and supervisory framework remains fit for an increasingly digital financial environment. Key priorities included strengthening consumer protection through clearer disclosures, effective complaint-handling mechanisms, and the advancement of digital and financial literacy.

In response to renewed market enthusiasm for crypto-assets, the ESAs issued a joint warning to consumers in October 2025, highlighting that crypto-assets can be risky and that legal protection, if any, may be limited depending on which crypto-assets they invest in. The ESAs also published a factsheet explaining what the new EU regulation on MiCA means for consumers, in particular, providing an overview of what crypto assets are, which ones are regulated under MiCA and which ones are not, and the providers consumers may encounter. The ESAs recommended concrete steps consumers can take to make informed decisions before investing in crypto-assets such as checking if the provider is authorised in the EU. Both documents have been published in all EU languages and reproduced on national competent authorities (NCAs)' websites.

At the end of October 2025, the ESAs organised a full day workshop on financial education, for NCAs to exchange good practices on the evaluation of the impact of national financial education initiatives and regarding financial education initiatives on fraud and scams in the digital era.

In December 2025, the ESAs published two factsheets designed to help consumers protect themselves from crypto and other online frauds and scams and explain how fraudsters increasingly use artificial intelligence (AI) to deceive consumers. The factsheets provide practical tips to help consumers recognise and avoid different types of frauds and scams. They explain common techniques used by fraudsters (e.g. impersonation, investment scams etc.) and offer concrete real-world examples. Consumers are also guided on how to identify warning signs and recognise suspicious behaviours, messages, or offers. To ensure wide accessibility, the factsheets have been translated into all official EU languages and disseminated by national authorities.

Another important milestone in 2025 was the 12th Joint Consumer Protection Day, held on 5 November in Riga under the theme "Building a framework for more efficient, simpler, and safer financial services for consumers." The event attracted more than three hundred participants, including representatives from national authorities, industry, academia, and civil society.

To support consistent retail investor protection, the ESAs published an updated set of consolidated Questions and Answers on PRIIPs in May 2025. These clarifications addressed performance scenarios, cost disclosures, and the presentation of information in Key Information Documents, helping to ensure clear, comparable, and meaningful information across the EU.

A notable achievement during the year was the joint work with the European Commission on the further development of the Digital Finance Academy for supervisors, aimed at enhancing supervisory capacity to address emerging technologies and digital risks.

Regarding the collection of information from NCAs on administrative sanctions and measures imposed in 2025, a total of 12 administrative sanctions or measures under the PRIIPs Regulation were reported to the ESAs by the competent authorities in Belgium, Denmark, Hungary and Poland. These measures were administrative fines totaling PLN 88.000 (EUR 20.548), an order prohibiting the provision of a non-compliant key information document and requiring the publication of a new version, orders suspending the marketing of a PRIIP and other types of sanctions or measures (under Articles 24(3) of the PRIIPs Regulation).

6. Securitisation

In March 2025, the ESAs published their evaluation report on the functioning of the EU Securitisation Regulation (SECR). The report set out recommendations to enhance the overall effectiveness of Europe's securitisation framework through targeted simplification, while maintaining a high level of investor protection and safeguarding financial stability. It also identified areas where the regulatory and supervisory framework could be further strengthened to support the development of robust and well-functioning securitisation markets in Europe.

7. European Forum for Innovation Facilitators (EFIF)

The European Forum for Innovation Facilitators (EFIF) remained a key platform for supervisory dialogue on FinTech developments, regulatory sandboxes, and the intersection of BigTech in financial services.

EFIF contributed to policy discussions within the AI Board's Subgroup on Sandboxes with expert input on good practices that would translate to the features of the incoming AI Regulatory Sandboxes under the AI Act. In the second half of the year, EFIF concluded a mandate review exercise aimed at reprioritising EFIF tasks and updating its working modalities.

EFIF also launched a second round of stocktaking of BigTechs and mixed-activity groups providing financial services in the EU. The second iteration of the monitoring exercise, mapped the direct provision of financial services by subsidiaries of BigTech groups operating in the EU to assess their authorisation status, the types of regulated financial services offered, their customer bases, and the extent of their cross-border activities. In 2025, the ESAs organised several EFIF workshops including oneon the role of BigTechs, on open finance and another one on AI supervision..

This work culminated in a non-public Joint ESA stocktaking report, which builds on the 2024 findings and highlights the risks related to “white-labelling” arrangements. The report identified several topics for follow up, such as the need for enhanced cross-border supervisory coordination, capturing synergies with the third-party provider register for critical ICT services under DORA, and tracking the impact of the Digital Markets Act (DMA). These follow up activities were reflected in the 2026 Annual Work Programme. In September, the ESAs published a BigTech factsheet based on the outcomes of the exercise.

8. European Single Access Point (ESAP)

In 2025, the ESAs continued to develop the technical framework, standards, and operational two-tier infrastructure underpinning ESAP. The ESAP is a centralised, digital, and free-of-charge EU platform, launched as part of the Capital Markets Union (CMU) and the European Green Deal, to provide unified access to public financial and sustainability-related information on EU companies and investment products.

9. Financial Conglomerates

The ESAs updated and published the annual list of identified financial conglomerates, comprising fifty-eight groups with their head of group located in the EU or the European Economic Area. In addition, the ESAs published several Questions and Answers on the reporting of risk concentration and intra-group transactions for financial conglomerates on the dedicated website. Work continued for the development of templates for capital adequacy reporting.

10. Other relevant cross-sectoral JC work

- ESAs Information Exchange System (Joint Guidelines and database):

The launch of the ESAs Fit and Proper Information System marked a major step in enhancing cross-border supervisory cooperation and supervisory convergence, enabling efficient information exchange across hundreds of thousands of fitness and propriety assessments.

The Joint Guidelines for the exchange of information relevant to the assessment of the fitness and propriety of holders of qualifying holdings, directors, and key function holders of financial institutions and financial market participants by competent authorities have been applicable since 17 February 2025. They establish a harmonised framework for cooperation among competent authorities and use of ESAs Information Exchange System (database). An updated joint ESAs compliance table on the Joint Guidelines was published in September 2025.

Competent authorities are expected to feed the ESAs Information Exchange System with data on both individuals and legal persons, including the upload of historical information and the ongoing submission of new assessments.

- ESAs cooperation with the newly established European Anti-Money Laundering and Terrorist Financing Authority (AMLA)

In July 2025, the ESAs concluded a multilateral Memorandum of Understanding (MoU) with the European Union's new Authority for Anti-Money Laundering and Countering the Financing of Terrorism (AMLA). The MoU sets out practical arrangements for information sharing, policy coordination, institutional cooperation, and capacity building. Through this cooperation, the ESAs aim to prevent regulatory or supervisory gaps, avoid overlapping or conflicting requirements for financial institutions and supervisors, and ensure that neither operates in isolation. This joined-up approach supports consistent policy development, clear expectations for competent authorities and financial institutions, and a more resilient financial system.

11. ESAs' Joint Board of Appeal

The Board of Appeal (BoA), a joint independent body of the ESAs, established to protect the rights of parties affected by decisions adopted by the Authorities, is responsible for deciding on appeals against certain decisions by the ESAs.

In December 2025, the BoA has issued its decision on costs arising in the appeal brought by NOVIS Insurance Company, against EIOPA. In its Decision, the Board confirmed its competence to decide on the allocation and taxation of costs. It clarified that only costs that are objectively necessary and reasonable may be reimbursed. The Board also decided on those aspects, ruling on a total amount of costs to be reimbursed by EIOPA.