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Annex

Joint Committee deliverables

October 2023 – September 2024

Consumer Protection and Financial Innovation

10th Joint ESAs' Consumer Protection Day 2023

Date: 9 October 2023

The three ESAs teamed up with the Spanish Securities Market Commission (CNMV - Comisión Nacional del Mercado de Valores) to organise the 10th Joint-ESAs Consumer Protection Day 2023 in Madrid during the Spanish Presidency of the European Union. The panel discussions focused on the following consumer protection topics: (i) greenwashing, (ii) the regulation of crypto assets in the EU, and (iii) cross-selling.

Reference:

[10th Joint ESAs Consumer Protection Day \(europa.eu\)](https://europa.eu)

ESAs Joint Committee Sustainable Finance Factsheet

Published: 30 November 2023

ESAs published an online interactive factsheet that provides answers to frequently asked questions and steps consumers can take to understand how their financial choices could contribute to a more sustainable future. The factsheet also provides tips to consumers considering buying financial products with sustainability features, including loans, investments, insurances and pensions. To overcome consumers's difficulties to understand financial jargon and crucial financial concepts such 'ESG' or 'EU taxonomy', the factsheet has helpful pop-up boxes that explain specific terms in a simple and easy-to-understand way. The factsheet has also been translated in all EU languages, and the ESAs were working with national supervisory authorities to help promote it across the EU.

Reference:

[INVESTMENT, LOAN, INSURANCE OR PENSIONS WITH A SUSTAINABLE FOCUS: What do you need to know? \(europa.eu\)](https://europa.eu)

Report of the JC SC CPFI workshop on behavioural insights, 14 - 15 February 2024 (JC 2024 42)

Published: 11 July 2024

The report provides a high-level overview of the main topics discussed during the workshop held on 14 and 15 February 2024 for national supervisors and other competent authorities, where participants explored the added value of behavioural insights in their work by exchanging their experiences and

discussing the challenges they face. The report includes a catalogue of various studies carried out at both the European and national levels on the use of behavioural insights in supervisory and policy work.

Reference:

[JC 2024 42 Report of the JC SC CPFI workshop on behavioural insights \(europa.eu\)](#)

Sustainable Finance

Final Report on draft RTS on the review of PAI and financial product disclosures in the SFDR Delegated Regulation (JC 2023 55)

Published: 4 December 2023

In the Final Report amending the draft Regulatory Technical Standards (RTS) to the Delegated Regulation supplementing the Sustainable Finance Disclosure Regulation (SFDR), the ESAs proposed adding new social indicators and streamlining the framework for the disclosure of principal adverse impacts of investment decisions on the environment and society. The ESAs also suggested new product disclosures regarding “greenhouse gas emissions reduction” targets and proposed further technical revisions to the SFDR Delegated Regulation.

Reference:

[JC 2023 55 - Final Report SFDR Delegated Regulation amending RTS \(europa.eu\)](#)

ESAs coordinated approach on greenwashing risks

Published: 4 June 2024

In their reports the ESAs reiterate the common high-level understanding of greenwashing as a practice whereby sustainability-related statements, declarations, actions, or communications do not clearly and fairly reflect the underlying sustainability profile of an entity, a financial product, or financial services. This practice may be misleading to consumers, investors, or other market participants. The ESAs stress again that financial market players have a responsibility to provide sustainability information that is fair, clear, and not misleading. Each ESA provides a stocktake of the current supervisory response to greenwashing risks under their remit and notes that national competent authorities (NCAs) are already taking steps in the area of supervision of sustainability-related claims. In addition, the ESAs provide a forward-looking view of how sustainability-related supervision can be gradually enhanced in coming years. While the ESAs' reports focus on the EU's financial sector, they acknowledge that addressing greenwashing requires a global response, involving close cooperation among financial supervisors and the development of interoperable standards for sustainability disclosures.

Reference:

- [ESMA36-287652198-2699 Final Report on Greenwashing \(europa.eu\)](#)
- [EBA Report on greenwashing monitoring and supervision.pdf \(europa.eu\)](#)
- [EIOPA's Final Report and Opinion on Greenwashing - Advice to the European Commission - EIOPA \(europa.eu\)](#)

Joint ESAs Opinion on the assessment of the Sustainable Finance Disclosure Regulation (SFDR) (JC 2024 06)

Published: 18 June 2024

In the joint Opinion on the assessment of the Sustainable Finance Disclosure Regulation (SFDR) the ESAs call for a coherent sustainable finance framework that caters for both, the green transition and enhanced consumer protection, taking into account the lessons learned from the functioning of the

SFDR. The ESAs focus on ways to introduce simple and clear categories for financial products. The simplifications consist of two voluntary product categories, “sustainable” and “transition”, that financial market participants should use to ensure consumers understand the purpose of the products. The rules for the categories should have a clear objective and criteria to reduce greenwashing risks. The ESAs recommend that the European Commission consider the introduction of a sustainability indicator that would grade financial products such as investment funds, life insurance and pension products. The ESAs deliver this Opinion on their own initiative, in the context of a comprehensive review of the SFDR framework by the European Commission, which includes the SFDR regulation and Delegated Regulation.

Reference:

[JC 2024 06 Joint ESAs Opinion on the assessment of the Sustainable Finance Disclosure Regulation \(SFDR\) \(europa.eu\)](#)

Risk Assessment

Joint Committee Update on Risks and Vulnerabilities in the EU Financial System – Spring 2024 (JC 2024 22)

Published: 30 April 2024

The 2024 Spring Risk Report presented ESAs cross-sectoral risk assessment in relation to the EU financial system and markets for the Economic and Financial Committee-Financial Stability Table (EFC-FST). This risk update showed that risks remained elevated in a context of slowing growth, an uncertain interest rate environment and ongoing geopolitical tensions.

Reference:

[JC 2024 22 Joint Committee Update on Risks and Vulnerabilities in the EU Financial System – Spring 2024 \(europa.eu\)](#)

Joint Committee Update on Risks and Vulnerabilities in the EU Financial System – Autumn 2024 (JC 2024 65)

Published: 10 September 2024

The 2024 Autumn Risk Report presented ESAs cross-sectoral risk assessment in relation to the EU financial system and markets for the Economic and Financial Committee-Financial Stability Table (EFC-FST). The Report underlined ongoing high economic and geopolitical uncertainties. The ESAs warned national supervisors of the financial stability risks stemming from these uncertainties and called for continued vigilance from all financial market participants. For the first time, the Report also included a cross-sectoral deep dive into credit risks in the financial sector.

Reference:

[JC 2024 65 Joint Committee report on Risks and Vulnerabilities in the EU financial system - August 2024 \(europa.eu\)](#)

Digital Operational Resilience

First set of final draft technical standards under the DORA (JC 2023 83, JC 2023 84, JC 2023 85 and JC 2023 86)

Published: 17 January 2024

The ESAs published the final reports on the first set of policy instruments aimed at specifying certain elements of the framework designed by the primary legislation and at enhancing the digital operational resilience of the EU financial sector by strengthening financial entities' Information and Communication Technology (ICT) and third-party risk management and incident reporting frameworks. The technical standards included: Regulatory Technical Standards (RTS) on ICT risk management framework and on simplified ICT risk management framework; RTS on criteria for the classification of ICT-related incidents; RTS to specify the policy on ICT services supporting critical or important functions provided by ICT third-party service providers (TPPs) ; and Implementing Technical Standards (ITS) to establish the templates for the register of information. The ITS on registers of information was rejected by the EU Commission on 3 September 2024 and the ESAs have prepared an Opinion on the rejections to be published by 15 October 2024.

Reference:

- [JC 2023 83 - Final Report on draft RTS on classification of major incidents and significant cyber threats \(europa.eu\)](#)
- [JC 2023 84 - Final report on draft RTS to specify the policy on ICT services supporting critical or important functions \(europa.eu\)](#)
- [JC 2023 85 Final report on draft ITS on Register of Information \(europa.eu\)](#)
- [JC 2023 86 - Final report on draft RTS on ICT Risk Management Framework and on simplified ICT Risk Management Framework \(europa.eu\)](#)

ESAs run voluntary dry run exercise to prepare industry for the next stage of DORA implementation

Published: 11 April 2024 and 31 May 2024

In May 2024, the ESAs launched a voluntary exercise for the collection of the registers of information of contractual arrangements on the use of ICT third-party service providers when DORA applies in January 2025. The ESAs and the competent authorities were introducing this voluntary exercise to help financial entities prepare for establishing their register of information, gathering the relevant information specified in the ESAs' final draft ITS on the registers of information and reporting their registers of information to their respective competent authorities, who will, in turn, provide them to the ESAs. Financial entities participating in the dry run received support from the ESAs to: (1) build their register of information in the format as close as possible to the steady-state reporting from 2025 also based on templates, technical documents and tools provided by the ESAs, (2) test the reporting process, (3) address data quality issues, and (4) improve internal processes and quality of their registers of information. As part of the exercise, the ESAs supported the financial entities by means of workshops and frequently asked questions during the preparations for the submissions and provided feedback on data quality to financial entities on their reported registers. For the benefit of the financial entities not participating in the exercise, the ESAs intend publishing general findings of the dry run and organising workshops to present these findings in more detail. Additionally to the exercise for the industry, the three ESAs have started conducting relevant activities in relation to the oversight at the EU level under the DORA. The ESAs have worked closely with national competent authorities to ensure supervisory convergence from the outset and have provided assistance and support to both financial market players and national competent authorities in their preparations.

Reference:

- [Factsheet for 2024 DORA dry run exercise \(europa.eu\)](#)

- [Preparation for DORA application | European Banking Authority \(europa.eu\)](#)

ESAs established framework to strengthen coordination in case of systemic cyber incidents

Published: 17 July 2024

In response to a recommendation by the European Systemic Risk Board (ESRB) to gradually develop a pan-European systemic cyber incident coordination framework (EU-SCICF). Accordingly, the ESAs announced the establishment of the EU systemic cyber incident coordination framework (EU-SCICF), that will facilitate an effective financial sector response to a cyber incident that poses a risk to financial stability, by strengthening the coordination among financial authorities and other relevant bodies in the European Union, as well as with key actors at international level. The ESAs kickstarted the implementation of the framework in the second half of 2024. The further development of the framework is subject to the availability of resources and other measures taken by the European Commission.

Reference:

[One Pager on EU-SCICF \(europa.eu\)](#)

Second batch of policy products under the DORA (JC 2024 29, JC 2024 33, JC 2024 34, JC 2024 35, JC 2024 36 and JC 2024 54)

Published: 17 July 2024

The ESAs published the final reports on the second set of regulatory products as mandated under the Digital Operation Resilience Act (DORA), after public consultation with relevant stakeholders earlier in the year. These included final reports on draft regulatory technical standards (RTS) and implementing technical standards (ITS) on: the content, format, templates and timelines for reporting major ICT-related incidents and significant cyber threats; RTS on the harmonisation of conditions enabling the conduct of the oversight activities; RTS specifying the criteria for determining the composition of the joint examination team (JET); and RTS on threat-led penetration testing (TLPT). The second batch of products also included two final reports on guidelines: Guidelines on the estimation of aggregated costs/losses caused by major ICT-related incidents; and Guidelines on oversight cooperation.

Reference:

- [JC 2024-29 - Final report on DORA RTS on TLPT \(europa.eu\)](#)
- [JC 2024-33 - Final report on the draft RTS and ITS on incident reporting \(europa.eu\)](#)
- [JC 2024-34 - Final report GL on costs and losses \(europa.eu\)](#)
- [JC 2024-35 - Final report on RTS on harmonisation of conditions for OVS conduct \(europa.eu\)](#)
- [JC 2024-36 - Final report on GL on oversight cooperation \(europa.eu\)](#)
- [JC 2024 54 - Final Report RTS on JET \(europa.eu\)](#)

Final report on Draft Regulatory Technical Standards to specify the elements which a financial entity needs to determine and assess when subcontracting ICT services supporting critical or important functions as mandated by Article 30(5) of Regulation (EU) 2022/2554 (JC 2024 53)

Published: 26 July 2024

As part of the second set of policy instruments under the Digital Operational Resilience Act (DORA), the ESAs published the Final report on the draft Regulatory Technical Standards (RTS) specified how to determine and assess the conditions for subcontracting information and communication technology

(ICT) services that support critical or important functions under the DORA. These RTS aim at strengthening the financial entities' ICT risk management over the use of subcontracting.

Reference:

[JC 2024 53 Final Report on draft RTS on subcontracting DORA \(europa.eu\)](#)

External Credit Assessment Institutions

Amended Implementing Technical Standards (ITS) on the mapping of credit assessments of External Credit Assessment Institutions (ECAIs) (JC 2023 050 and JC 2023 049)

Published: 13 November 2023

Two amended Implementing Technical Standards (ITS) on the mapping of credit assessments of External Credit Assessment Institutions (ECAIs) were published, in accordance with the Capital Requirements Regulation (CRR) and the Solvency II Directive (Solvency II). The amendments reflect the outcome of a monitoring exercise on the adequacy of existing mappings, and the deregistration of three credit rating agencies (CRAs). In the amended ITS the ESAs proposed to change the credit quality step (CQS) allocation for four ECAIs, and to introduce new or amended credit rating scales for seven ECAIs. Further, the amended ITS no longer contain mapping tables for the three ECAIs, whose licenses have been revoked since the previous amendment. The ESAs have published individual draft mapping reports illustrating how the methodology was applied to produce the amended mappings in line with the CRR mandate.

Reference:

- [JC 2023 49 - Final report - Amendment ITS on ECAIs mapping Solvency II \(europa.eu\)](#)
- [JC 2023 50 - Implementing Technical Standards on the mapping of ECAIs credit assessments under the Standardised Approach of the CRR | European Banking Authority \(europa.eu\)](#)

Financial Conglomerates

List of Financial Conglomerates 2023 (JC 2023 82)

Published: 21 December 2023

The 2023 list included 63 financial conglomerates with the group's headquarter located in the European Union or European Economic Area (EEA).

Reference:

[JC 2023 82 List of identified Financial Conglomerates 2023 \(europa.eu\)](#)

European Forum for Innovation Facilitators (EFIF)

Joint ESAs Report on Innovation Facilitators 2023 (ESA 2023 27)

Published: 11 December 2023

The Report on innovation facilitators identifies a number of benefits and challenges relating to the operation and design of innovation facilitators and presents recommendations and considerations

towards national competent authorities (NCAs), the ESAs and the European Commission to further enhance the role and efficiency of innovation facilitators in the financial sector across the European Economic Area. The NCAs were invited to: improve their understanding of the concerns and interests of participating firms; broaden the scope of innovations captured, including at the cross-sectoral level; ensure an effective collaboration among NCAs; continuously evaluate the functioning of innovation hubs and regulatory sandboxes. Through the European Forum for Innovation Facilitators (EFIF) framework, the ESAs can provide recommendations for future EU-wide initiatives that focus on experimentation. To improve the functioning of this framework the ESAs should: re-evaluate the procedural framework for cross-border testing established by the EFIF in 2021, formalise the EFIF's process to raise co-legislators' attention to issues identified via innovation hubs or regulatory sandboxes. Finally, the ESAs propose that the European Commission undertake a comprehensive reflection on the EU-wide strategy to support financial innovation and the operation of innovation facilitators, in particular regulatory sandboxes.

Reference:

[ESA 2023 27 Joint ESAs Report on Innovation Facilitators 2023 \(europa.eu\)](#)

Report on 2023 stocktaking of BigTech direct financial services provision in the EU (JC 2024 02)

Published: 1 February 2024

In 2023 the ESAs, via the European Forum for Innovation Facilitators (EFIF), conducted a cross-sectoral stocktake of BigTech subsidiaries providing financial services in the European Union (EU) as a follow-up to the ESAs' 2022 response to the European Commission's Call for Advice on Digital Finance. The stocktake showed that BigTech subsidiary companies currently licenced to provide financial services pursuant to EU law mainly provide services in the payments, e-money and insurance sectors and, in limited cases, the banking sector. However, the ESAs have yet to observe their presence in the market for securities services. To further strengthen the cross-sectoral mapping of BigTechs' presence and relevance to the EU's financial sector, the ESAs propose to set-up a data mapping tool within the EFIF. This tool is intended to provide a framework that supervisors from the national competent authorities would be able to use to monitor on an ongoing and dynamic basis the BigTech companies' direct and indirect relevance to the EU financial sector. The ESA will also continue the cross-disciplinary exchanges in the setting of the EFIF to further foster the exchange of information between EFIF members and other relevant financial and non-financial sector authorities involved in the monitoring of BigTechs' activities (e.g., data protection and consumer protection authorities).

Reference:

[JC 2024 02 Joint ESAs Report on 2023 stocktaking of BigTech direct financial services provision \(europa.eu\)](#)

Annual report and work programme

2024 Work Programme of the Joint Committee of the European Supervisory Authorities (JC 2023 25)

Published: 4 October 2023

The Work Programme for 2024 outlined the following areas of work and planned deliverables in 2024 for the Joint Committee of the ESAs: consumer and investor protection, operational resilience, financial conglomerates, and securitisation. In the context of challenging macro-economic conditions, the Joint Committee announced to continue to closely monitor and assess emerging key cross-sectoral risks and vulnerabilities for financial stability. To communicate on its risk assessment, the Joint Committee will continue to develop cross-sectoral Risk Reports and provide updates of its assessment to the Financial Stability Table of the Economic and Financial Committee (EFC-FST).

Reference:

[JC 2023 25 - 2024 Work Programme of the Joint Committee of the European Supervisory Authorities \(europa.eu\)](#)

Joint Committee Annual Report 2023 (JC 2024 16)

Published: 7 June 2024

The Joint Committee Annual Report for 2023 provided an account of the joint work completed over the year. In 2023, under the EBA's chairmanship, the Joint Committee continued to play a coordinating role to facilitate discussions and the exchange of information across the three ESAs, the European Commission, and the European Systemic Risk Board (ESRB). Through the Joint Committee the ESAs explore and monitor potential emerging risks for financial markets participants and the financial system as a whole. The main areas of cross-sectoral focus were joint risk assessment, sustainable finance, digitalisation, consumer protection, securitisation, financial conglomerates, and central clearing. Among the Joint Committee's main deliverables were policy products for the implementation of the Digital Operational Resilience Act (DORA) as well as ongoing work related to the Sustainable Finance Disclosure Regulation (SFDR).

Reference:

[JC 2024 16 JC annual report 2023 \(europa.eu\)](#)

Other work

Joint criteria on the independence of supervisory authorities (JC 2023 17)

Published: 25 October 2023

In 2020, following their review, the ESAs were tasked to foster and monitor supervisory independence. To fulfil this task, in 2021 the ESAs published in close coordination their individual reports to take stock of the factual situation of supervisory authorities' independence. Building on these reports and based on the 2021 EIOPA's criteria and international standards, the ESAs further worked together to issue joint criteria on the independence of supervisory authorities. The independence criteria are organised around four key principles: (1) operational independence: so supervisory authorities operate without any form of undue influence from the supervised sector and the government, have adequate legal powers and operational resources; (2) personal independence: with transparent rules for the appointment, selection and removal of members of the supervisory authority's governing body, and high ethical standards for members of the supervisory authority's staff and governing body; (3) financial independence: with sufficient financial resources for supervisory authorities to fulfil their mandates; and (4) accountability and transparency: so supervisory authorities conduct their tasks in a transparent and accountable manner. The criteria can be used by supervisory authorities as a tool to enhance their independence and, at a later stage, by the ESAs to assess supervisory independence in the EU.

Reference:

[JC 2023 17 Joint ESAs Supervisory Independence criteria \(europa.eu\)](#)

ESAs proposals on extending the EMIR equity option exemption (ESA 2023 33 and ESA 2023 34)

Publication: 20 December 2023

ESAs published the joint draft regulatory technical standards (RTS) under the European Market Infrastructure Regulation (EMIR) where they proposed a two-year extension to the equity option exemption from bilateral margining, as well as issued a no-action opinion. The draft RTS provide clarity

to market participants on how to handle equity options as from 4 January 2024, the date on which the temporary exemption was set to expire. More specifically, the ESAs proposed to extend the temporary exemption and issued a no-action Opinion which includes clarifications on the supervisory expectations. That interim solution came in the context of the EMIR Review negotiations in relation to the decision on the treatment of equity options with respect to bilateral margining, and followed the letter sent by the ESAs on 13 June 2023 to the European Commission and the co-legislators, highlighting the need to have a clear decision as part of the ongoing EMIR Review. The ESAs take note of the amendments to EMIR agreed by the European Parliament's Committee on Economic and Monetary Affairs (ECON Committee) on 28 November 2023 and at Coreper on 6 December 2023. These texts introduced specific provisions on equity options, including a permanent exemption.

Reference:

- [ESA 2023 33 - Amending RTS - Equity option bilateral margining \(europa.eu\)](#)
- [ESA 2023 34 - No action opinion - Equity option bilateral margining \(europa.eu\)](#)

Memorandum of Understanding on cooperation between the European Banking Authority, the European Insurance and Occupational Pensions Authority, the European Securities and Markets Authority, and the European Union Agency for Cybersecurity

Published: 5 June 2024

The ESAs have concluded a multilateral Memorandum of Understanding (MoU) to strengthen cooperation and information exchange with the European Union Agency for Cybersecurity (ENISA). The multilateral MoU formalises the ongoing discussions between the ESAs and ENISA to strengthen their already close cooperation, as a result of the Directive on measures for a high common level of cybersecurity (NIS2 Directive) and the Digital Operational Resilience Act (DORA). This MoU sets out the framework for cooperation and exchange of information on tasks of mutual interest, including policy implementation, incident reporting, and oversight of critical Information Communication Technologies (ICT) third-party providers. It will also promote regulatory convergence, facilitate cross-sectoral learning and capacity building on areas of mutual interest, and information exchange on emerging technologies.

Reference:

[Memorandum of Understanding on cooperation between the ESAs and ENISA \(europa.eu\)](#)

Table of Member State language and ex ante notification requirements for the PRIIPs KID (JC 2024 44)

Published: 23 July 2024

The table provides a summary of the language and ex ante notification requirements for the key information document (KID) for packaged retail and insurance-based investment products (PRIIPs) in different Member States.

Reference:

[JC 2024 44 Table of Member State language and ex ante notification requirements for the PRIIPs KID \(europa.eu\)](#)

Joint ESAs Q&As (JC 2024 13, JC 2024 21, JC 2023 22, JC 2023 18 and JC 2024 70)

Publication: 5 April 2024, 3 May 2024, 28 June 2024, 25 July 2024 and 27 September 2024

The ESAs developed joint Q&As to support the consistent and effective application of the EU regulatory framework for the financial services sector. These Q&As also contribute to the completion of the EU Single Rule Book. The ESAs do this by publicly providing responses to questions asked by the public, financial market participants, competent authorities, Union institutions and other stakeholders. The Q&As published were in relation to the Key Information Document (KID) for Package Retail and Insurance-based Investment Products (PRIIPs) Regulation, Securitisation Regulation and Sustainable Finance Disclosure Regulation.

Reference:

- [Q&As on the ITS on reporting templates for risk concentrations and intra-group transactions of Financial Conglomerates](#)
- [JC 2024 21 - JC Q&As on securitisation \(europa.eu\)](#)
- [JC 2023 22 - Consolidated JC PRIIPs QAs \(europa.eu\)](#)
- [JC 2023 18 - Consolidated JC SFDR QAs \(europa.eu\)](#)
- [JC 2024 70 - DORA Q&As](#)

ESAs work following the adoption of the association agreement with Andorra and San Marino

Following the adoption of the association agreement with Andorra and San Marino on 26 April 2024, and the protocol on access to the single market in financial services, the ESAs have begun work to assess its implications, including impact on budget and resources. While the timetable and precise scope for access of the two microstates remain uncertain, the work in the next steps requires the ESAs to conclude Memoranda of Understanding for the respective financial sectors with the microstates, as a necessary precondition for the future access to the single market. The further steps also include establishing a mechanism for how the ESAs shall be compensated for their work and how the needed additional resources will be provided to the ESAs. The ESAs estimate that additional resources will be needed for the future steps including development of methodologies, assessments of the supervisory frameworks and ongoing future monitoring of the supervisory activities of the two microstates.