RegCORE – Client Alert

The Joint Committee of the European Supervisory Authorities publishes its Annual Work Programme 2025

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Financial Services

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QuickTake

Every year, usually during the fourth quarter, the European Supervisory Authorities (**ESA**s), comprised of the European Banking Authority (**EBA**), the European Securities and Markets Authority (**ESMA**) and the European Insurance and Occupational Pensions Authority (**EIOPA**) individually publish their Annual Work Programmes (**AWP**s) setting out their priorities and resourcing for the coming calendar year. Through the Joint Committee (**JC**) of the ESAs these three sister authorities regularly and closely liaise to strengthen their work. Both the European Commission and the European Systemic Risk Board (**ESRB**) participate in JC work. Just like individual ESAs publish their AWPs, the JC of the ESAs also publishes its own AWP. This JC of the ESAs' AWP aims to foster cross-sectoral regulatory consistency and supervisory convergence and is thus of relevance to national competent authorities (**NCA**s) and more importantly the relevant firms within the scope of ESAs' and NCAs' regulatory and supervisory mandate.

On 7 October 2024, the JC of the ESAs published its joint AWP for 2025 setting out its joint focus on key strategic priorities and implementation of new mandates.[1] The joint AWP 2025 places particular emphasis on ongoing collaboration to tackle cross-sectoral risks, promoting sustainability in the EU financial system and strengthening financial entities' digital resilience. More specifically, in addition to fostering regulatory consistency, adequate risk assessment, financial stability as well as the protection of consumers and investors, the ESAs will undertake joint work in 2025 to:

- provide further guidance on sustainability disclosures;
- make progress on financial entities' digital operational resilience by, among others, launching the oversight of critical information and communication technology (**ICT**) third-party service providers and implementing the major ICT-related incident coordination framework in accordance with the EU's

[1] Available here.

Regulation for a Digital Operational Resilience Act (**DORA**),[2] of designated critical third-party service providers (**CTPPs**);

- monitor financial conglomerates;
- promote coordination and cooperation among national innovation facilitators with a view to facilitating the scaling up of innovative solutions in the financial sector; and
- address other cross-sectoral matters such as retail financial services, investment products and securitisation.

This Client Alert discusses the relevant issues and key legal and regulatory considerations for relevant market participants as well as the key differences between the JC ESAs' AWPs for 2024 and 2025. This Client Alert should be read together with other thematic deep dives on reforms and developments as well as our standalone analysis of all relevant 2025 work programmes from the European Commission, the ESAs as well as those of the Banking Union authorities (ECB-SSM and SRB). Readers may also find benefit in consulting "Navigating 2025", a comprehensive playbook providing a more granular annual outlook from PwC Legal's EU RegCORE on the forthcoming regulatory policymaking agenda, the supervisory cycle and assessment of any commonalities and trends across plans for 2025 and beyond.

Key takeaways from JC of the ESAs' 2025 AWP

As in previous years the JC of the ESAs' 2025 AWP has outlined an ambitious and comprehensive work programme for 2025, aimed at enhancing regulatory consistency, supervisory convergence and consumer protection across the European financial sector. The ESAs are committed to fostering cross-sectoral regulatory consistency and supervisory convergence. This involves regular coordination of activities within their respective responsibilities to ensure uniformity in practices. The JC of the ESAs will continue to monitor and assess emerging cross-sectoral risks and vulnerabilities, in particular in light of challenging macro-financial conditions, persistent inflation, and geopolitical tensions. The ESAs will provide regular updates on their risk assessments to the Financial Stability Table of the Economic and Financial Committee (**EFC-FST**) in 2025.

Each of the ESAs individually or jointly as the JC of the ESAs make use of various Guidelines, Implementing Technical Standards (**ITS**) and Regulatory Technical Standards (**RTS**) that they are mandated to publish along with other rulemaking instruments and statements (Q&As, Opinions and Supervisory Briefings) setting out respective supervisory expectations including as addressed to NCAs and market participants.

The JC of the ESAs' 2025 AWP is succinct, providing 10 pages of detail focusing on the following priorities:

1. **European Green Deal and sustainable finance**: The JC of the ESAs will play a significant role in developing RTS under the Sustainable Finance Disclosure Regulation (**SFDR**). This includes providing guidance on sustainability disclosures and reporting on principal adverse impacts (**PAI**s). The ESAs may also begin to work on new technical standards related to ESG rating disclosures.

2. **Digital Finance Package and digital operational resilience**: The ESAs will focus on the operationalisation of the EU-wide oversight framework for ICT CTPPs under DORA. This includes finalising policy mandates, developing cooperation mechanisms and implementing the EU systemic cyber incident coordination framework (**EU-SCICF**).

3. **Consumer protection and financial innovation**: Enhancing consumer protection remains a priority. The ESAs will work on drafting RTS based on proposed amendments to the PRIIPs Regulation and continue their financial education initiatives. This includes developing resources to educate consumers on topics such as cybersecurity, fraud and sustainable finance.

4. **Sustainable finance disclosures**: The ESAs will deliver their fourth annual report on PAI disclosures under SFDR. They will monitor the practical application of SFDR and may start to work on technical standards related to ESG rating disclosures.

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[2] DORA aims to enhance digital operational resilience across the financial sector. Supervised firms must focus on effective implementation, fostering cooperation among stakeholders and addressing emerging risks. ESMA will oversee CTPPs to promote convergence and strengthen digital operational resilience. Firms should prepare for new tasks and powers conferred on ESMA related to DORA, including implementing a cyber-incident report system and developing supervisory convergence tools. On 1 October 2024, ESMA and its sister ESAs announced the appointment of Marc Andries as DORA Joint Oversight Director. This role will be responsible for implementing and running the oversight framework for CTPPs at a pan-European scale. Mr. Andries has held senior responsibilities in the areas of ICT project management, oversight and supervision, including at France's NCAs.

5. **Risk assessment**: The JC of the ESAs will continue to assess key trends and vulnerabilities to financial stability, producing targeted cross-sectoral risk analysis.

6. **Securitisation**: The Joint Committee Securitisation Committee (**JCSC**) will follow up on its 2024 report on the securitisation regulatory framework, providing technical advice or opinion as needed.

7. **Financial conglomerates**: The ESAs will ensure cross-sectoral consistency in the supervision of financial conglomerates, contributing to the European Commission's review of the Financial Conglomerates Directive (**FICOD**) and updating the list of identified financial conglomerates.

8. **Innovation facilitators**: Through the European Forum for Innovation Facilitators (**EFIF**), the ESAs will promote coordination among national innovation facilitators to foster innovative business models in the financial sector.

9. **External Credit Assessment Institutions (ECAIs)**: The ESAs will continue regulatory work on ECAIs, ensuring consistent usage of credit assessments under banking and insurance regulatory frameworks.

10. **Other joint work**: The ESAs will also organise the 12th Joint Consumer Protection Day, support ESMA's implementation of the European Single Access Point (**ESAP**), finalise an IT solution for information exchange on fit and proper assessments and potentially provide further guidance on EMIR bilateral margining as well as the preparation of a joint assessment exercise on the independence of NCAs as based on the joint criteria approved in 2023.

The JC of the ESAs' 2025 AWP is comprehensive and forward-looking but there have been some changes between the focus, scrutiny and tone of what JC of the ESAs focused on in 2024 AWP compared to what it plans to do in furtherance of its 2025 AWP's objectives.

Key messages and differences between JC of the ESAs' 2024 AWP and 2025 AWP

In addition to the above, it is important to review how the focus, tone and expected level of scrutiny differs, even if ever so slightly, between JC of the ESAs' 2024 and 2025 AWPs:

Topic – running order as used in publications	**JC of the ESAs' 2024 AWP**	**JC of the ESAs' 2025 AWP**
Cooperation and monitoring	• The JC of the ESAs will monitor and assess emerging cross-sectoral risks and vulnerabilities for financial stability, with a focus on recent banking turmoil and geopolitical uncertainty. • The JC of the ESAs will increase efforts in the European Commission's Digital Finance Package, focusing on delivering legal mandates, promoting supervisory convergence, and preparing for DORA-related oversight activities. • The ESAs will monitor the application of the adopted RTS on PRIIPs and consider the need for amendments. • The ESAs will organise workshops on financial education to exchange lessons learned and facilitate information exchange among NCAs. • The ESAs will monitor the practical application of the SFDR and consider the need for Q&As or other tools to promote supervisory convergence. • The JC of the ESAs is due to report to the European Commission on the implementation and functioning of the Securitisation Regulation, including recommendations on	• The JC of the ESAs will continue to monitor and assess emerging cross-sectoral risks and vulnerabilities for financial stability, with a focus on increased geopolitical tensions and uncertainty. • The JC of the ESAs will step up efforts in the European Commission's Digital Finance Package, focusing on the set-up and operationalisation of the EU-wide Oversight Framework for ICT CTPPs and launching new oversight activities in accordance with the DORA Regulation. • The ESAs will finalise remaining policy mandates, engage in supervisory convergence work, develop cooperation mechanisms, and implement the EU systemic cyber incident coordination framework (i.e. the EU-SCICF). • The ESAs will report on administrative sanctions or measures imposed under the PRIIPs Regulation during 2024 based on information submitted by national competent authorities. • In 2025, the ESAs will build on financial education work by identifying areas where consumer detriment can be reduced through education and addressing information asymmetries. • The ESAs will monitor the practical application of the SFDR Delegated Regulation and may start to work on technical standards related to ESG rating disclosures on websites.

	addressing inconsistencies and challenges.	• The JCSC will follow up on the delivery of the JC report under Article 44 of Securitisation Regulation, providing recommendations and ensuring cooperation for the revitalisation of the securitisation market. • The ESAs will start preparing the joint assessment exercise on the independence of competent authorities based on joint criteria approved in 2023.
European Green Deal and sustainable finance	• In 2024, the JC of the ESAs may be required to contribute more guidance, including through Q&As, for sustainability disclosures under the SFDR and the Taxonomy Regulation. • The ESAs may also take up their optional empowerment to develop draft ITS on marketing information under Article 13 SFDR. • The ESAs will carry out activities on climate risk stress testing, including running a one-off system-wide climate risk stress test and developing Guidelines for supervisors on ESG stress testing. • By May 2024, the ESAs will deliver their final reports on greenwashing to the European Commission, responding to the European Commission's request for input on greenwashing. • The ESAs will deliver their third annual report under Article 18 SFDR regarding the extent and quality of the voluntary reporting of PAIs of investment decisions on sustainability factors. • SFDR Article 13 concerns marketing communications and gives an optional mandate to the ESAs to work on ITS on the standardised presentation of marketing communications by SFDR financial products. • The ESAs will monitor the application of the SFDR and use of marketing communications and will assess the need for drafting an ITS or using other supervisory convergence tools to strengthen the prevention of greenwashing in marketing communications. • The ESAs may contribute to the European Commission's ongoing comprehensive assessment of SFDR, taking into account any requests received. • Expected output includes an annual report under Article 18 SFDR covering the PAI indicators, Q&As, and other Level 3 tools, and an assessment of the need for ITS under Article 13, and other supervisory convergence tools to prevent greenwashing in marketing communications.	• In 2025, the JC of the ESAs will be required to contribute more guidance, including through Q&As, on sustainability disclosures under the SFDR Delegated Regulation. • The ESAs will start work on new technical standards relating to ESG rating disclosures introduced into Article 13 SFDR by the recently agreed Regulation on ESG Ratings. • The ESAs will deliver their fourth annual report under Article 18 SFDR regarding the extent and quality of PAIs disclosures under the SFDR. The 2025 report will be the second time that the PAI indicators and template in the Delegated Regulation will have been available, allowing for analysis and comparison to the first year in 2024. • The ESAs may start work on technical standards related to ESG rating disclosures on websites in line with a new empowerment introduced by the ESG rating regulation. This includes regulatory technical standards specifying disclosures where financial market participants or financial advisers disclose an ESG rating to third parties as part of its marketing communications, subject to formal approval and entry into force of that new regulation. • The ESAs may be asked by the Commission to contribute advice to their review of SFDR, possibly as a follow-up of the ESAs' joint Opinion on the SFDR Level 1 framework published in 2024. • Expected output includes an annual report under Article 18 SFDR covering the PAI indicators, Q&As, and other Level 3 tools, a consultation paper on the draft RTS on ESG rating disclosures, and contribution to the Commission's review of SFDR. • Expected output also includes guidelines on high-level principles to carry out climate stress testing.
Digital Finance Package	• The JC of the ESAs will strive to deliver DORA-related policy mandates in January and July	• The ESAs will launch their new oversight activities in accordance with DORA Regulation in 2025.

	2024. • The ESAs will work together on various provisions of DORA to be ready for the implementation of the new framework by 2025, including the EU-wide oversight framework of ICT CTPPs and potential cooperation mechanisms. • The ESAs will develop the necessary IT systems, particularly to support the direct DORA oversight tasks.	• The ESAs will finalise remaining policy mandates, engage in supervisory convergence work, develop cooperation mechanisms, and implement the EU systemic cyber incident coordination framework (i.e. the EU-SCICF). • The ESAs will develop the necessary IT infrastructure to support the direct DORA oversight tasks and incident reporting.
Financial conglomerates	• The JC of the ESAs will focus on digital operational resilience, financial conglomerates, as well as accounting and auditing. • In the area of Financial Conglomerates, the JC of the ESAs will publish the annual list of financial conglomerates and work on specific conglomerates' reporting templates. • The ESAs will continue to ensure cross-sectoral consistency of work and to reach joint positions in the area of supervision of financial conglomerates, under the Financial Conglomerates Directive (FICOD, 2002/87/EC). • The ESAs will contribute to the European Commission's fundamental review of FICOD and to the annual update and publication of the list of identified financial conglomerates. • Further tasks include the operational deployment of reporting templates for intra-group transactions (IGT) and risk concentration (RC). • The ESAs will continue to review and update their list of identified financial conglomerates. • Expected outputs: 2024 list of identified financial conglomerates. • The ESAs will pursue work on the issues related to the calculation of capital adequacy for conglomerates.	• In the area of Financial Conglomerates, the JC of the ESAs will publish the annual list of financial conglomerates and work on specific conglomerates' reporting templates. • The ESAs will continue to ensure cross-sectoral consistency of work and to reach joint positions in the area of supervision of financial conglomerates, under the FICOD. • The ESAs will contribute to the European Commission's fundamental review of FICOD and to the annual update and publication of the list of identified financial conglomerates. • Further tasks include the operational deployment of reporting templates for intra-group transactions (IGT) and risk concentration (RC). • The ESAs will continue to review and update their list of identified financial conglomerates. • Expected output: 2025 list of identified financial conglomerates. • The ESAs will work on developing reporting templates for the calculation of capital adequacy of conglomerates.
Innovation facilitators	• The ESAs will consider assessing the use of behavioural finance insights by national competent authorities in their daily work and supervisory practices to strengthen financial consumer protection. • The work aims to promote coordination and cooperation among national innovation facilitators to foster the scaling up of innovation in the EU financial sector and to promote a common response to new technologies. • Expected outputs include a follow-up to the outcome of the updated EFIF report on Innovation hubs and sandboxes and the 2023 survey on the evolution of mixed activity groups (MAGs). Detailed expected outputs will be listed and specified in the EFIF Work Programme 2024,	• The JC of the ESAs will promote coordination and cooperation among national innovation facilitators to foster innovative business models and scale up technological solutions across the EU financial sector in line with the European Commission's Digital Finance Strategy. • The ESAs will select suitable means and channels to achieve coordination and cooperation, including workshops for national authorities and innovative means to reach consumers directly. Potential areas of focus could be artificial intelligence and the measurement of the impact of financial education initiatives. • EFIF aims to promote coordination and cooperation among national innovation facilitators (regulatory hubs and sandboxes) to foster innovative business models and scale up technological solutions across the EU financial sector. EFIF also serves as a

	to be finalised at the end of 2023.	forum to promote a common supervisory response to new technologies. • More details on the expected outputs for 2025 will be specified in the EFIF Annual Work Programme to be finalised and adopted by the Joint Committee.
Digital operational resilience	• The JC of the ESAs focused on delivering DORA-related policy mandates in January and July 2024. • The ESAs will work together on various provisions of DORA to be ready for the implementation of the new framework by 2025, including the EU-wide Oversight Framework of ICT CTPPs. • The JC of the ESAs will continue developing the policy mandates envisaged by DORA and coordinate the monitoring of digital operational resilience practices and threats. • The ESAs will finalise the work on the DORA technical standards, reports, and guidelines to be delivered in 2024. • The ESAs will focus on promoting supervisory convergence to complement the joint regulatory approach to DORA implementation. • The ESAs will finalise the implementation of the joint guidelines and other policy work facilitating the use of the IT solution and the delivery and roll-out of the IT solution for the information exchange, consisting of a cross-sectoral common searchable database and competent authorities' contact list.	• The JC of the ESAs will step up its efforts regarding the European Commission's Digital Finance Package, focusing on the set-up and operationalisation of the EU-wide Oversight Framework for ICT CTPPs. • The ESAs will launch their new oversight activities in accordance with DORA. • The ESAs will finalise remaining policy mandates, engage in supervisory convergence work, develop cooperation mechanisms, and implement the EU systemic cyber incident coordination framework (i.e. EU-SCICF). • The JC of the ESAs will have a strong focus on the DORA work and coordinate the implementation of the DORA which will apply as of mid-January 2025, including the new oversight framework. • By mid-January 2025, the JC of the ESAs will have delivered all DORA policy mandates envisaged in Level 1, focusing on supervisory convergence work on the application of the DORA framework. • The ESAs will take over new oversight responsibilities on designated critical third-party ICT service providers and deliver two reports related to the ESRB recommendations on an EU systemic cyber incident coordination framework. • The JC substructures dedicated to DORA will evolve, setting up the new Oversight Forum for oversight purposes and adapting the governance structure for DORA non-oversight related tasks. • The JC of the ESAs will deliver a feasibility study on a potential centralisation of major ICT-related incidents by mid-January 2025. • The ESAs will work on supervisory convergence to facilitate harmonised implementation of the DORA framework, with further cooperation needed for incident reporting or TLPT. • The ESAs will start overseeing designated critical CTPPs in 2025, finalising necessary oversight procedures and methodologies, establishing the Oversight Forum and the Joint Oversight Network, and collecting relevant information to assess the criticality of the ICT TPPs.
Consumer protection and financial innovation	• The JC of the ESAs will organise workshops on various topics (e.g., digitalisation, sustainable finance, risks of crypto-assets) to exchange lessons learned and facilitate information exchange among NCAs. These workshops aim to identify relevant initiatives at the national level that could be translated and re-employed by the ESAs and other NCAs. • The ESAs will consider assessing the use of behavioural finance insights by NCAs in their daily work and supervisory practices to	• The JC of the ESAs enhances confidence and strengthens the protection of European consumers in relation to banking, insurance, pensions, and securities products, with a continued priority in 2025. • The ESAs have developed a repository of national education initiatives on digitalisation with a focus on cybersecurity, fraud, and scams, and produced interactive factsheets on inflation, interest rates, and sustainable finance. They have also conducted financial education workshops for national authorities on sustainable finance and digital financial literacy. • In 2025, the ESAs will build on previous

	strengthen financial consumer protection.	work by identifying areas where consumer detriment can be reduced through education and addressing information asymmetries, considering the Council of the EU's conclusions on financial literacy. • The ESAs will select suitable means and channels, including workshops and innovative methods, to reach consumers directly. Potential areas of focus include artificial intelligence and measuring the impact of financial education initiatives.
Sustainable finance	• In 2024, the JC of the ESAs may be required to contribute more guidance, including through Q&As, for sustainability disclosures under the SFDR and the Taxonomy Regulation. • The ESAs may also take up their optional empowerment to develop draft ITS on marketing information under Article 13 SFDR. • The ESAs will carry out activities on climate risk stress testing, including running a one-off system-wide climate risk stress test and developing Guidelines for supervisors on ESG stress testing. • By May 2024, the ESAs will deliver their final reports on greenwashing to the European Commission, responding to the European Commission's request for input on greenwashing. • The ESAs will deliver their third annual report under Article 18 SFDR regarding the extent and quality of the voluntary reporting of PAIs of investment decisions on sustainability factors. • The ESAs will monitor the practical application of the SFDR, especially the Delegated Regulation, to determine if Q&As or other level 3 tools are needed to give competent authorities and market participants further guidance on the practical application of the SFDR rules. • The ESAs will assess the need for drafting an ITS or using other supervisory convergence tools to strengthen the prevention of greenwashing in marketing communications. • The ESAs may contribute to the European Commission's ongoing comprehensive assessment of SFDR, taking into account any requests received.	• In 2025, the JC of the ESAs will be required to contribute more guidance, including through Q&As, on sustainability disclosures under the SFDR Delegated Regulation and a report by the three ESAs on the reporting of PAIs under Article 18 of SFDR. • The ESAs may start to work on new technical standards relating to ESG rating disclosures introduced into Article 13 SFDR by the recently agreed Regulation on ESG Ratings. • The ESAs have carried out extensive financial education work, including two interactive factsheets to educate consumers on sustainable finance and two financial education workshops for national authorities on sustainable finance. • In 2025, the ESAs will continue and build on this work, identifying topical areas where the risk of consumer detriment can be credibly reduced by educating consumers and addressing information asymmetries. • The ESAs will deliver their fourth annual report under Article 18 SFDR regarding the extent and quality of PAIs disclosures under the SFDR. The 2025 report will be the second time that the PAI indicators and templates in the Delegated Regulation will have been available, allowing for analysis and comparison to the first year in 2024. • The ESAs will monitor the practical application of the SFDR, especially the SFDR Delegated Regulation, to determine if Q&As or other Level 3 tools are needed to give competent authorities and market participants further guidance on the practical application of the SFDR rules. • The ESAs may start to work on technical standards related to ESG rating disclosures on websites in line with a new empowerment introduced by the ESG rating regulation for regulatory technical standards specifying disclosures where financial market participants or financial advisers disclose to third parties an ESG rating as part of its marketing communications, subject to formal approval and entry into force of that new regulation. • The ESAs might organise a seminar for NCAs on the implementation and supervision of SFDR. • The ESAs may be asked by the Commission to contribute advice to their review of SFDR, possibly as a follow-up of the ESAs' joint Opinion on the SFDR Level 1 framework published in 2024. • The ESAs will develop guidelines to ensure consistency, long-term considerations, and common standards for assessment methodologies are integrated into the stress

		testing of ESG risks by January 2026, fostering consistency in climate stress testing approaches throughout the European financial sector.
Risk assessment	• The AWP 2024 mentioned "slowdown of economic activity" as a key macro-financial condition. • Recent turmoil in the banking system and continuing high geopolitical uncertainty were highlighted as additional risks. • The JC of the ESAs was to develop cross-sectoral risk reports and provide updates to the EFC-FST in spring and autumn 2024. • The ESAs were to carry out activities on climate risk stress testing, including a one-off system-wide climate risk stress test and developing guidelines for supervisors on ESG stress testing. • The ESAs were to deliver final reports on greenwashing to the European Commission by May 2024. • Cross-sectoral risk analysis was a priority area for the JC of the ESAs in 2024, with the Risk Sub-Committee being an important forum for discussion.	• The AWP 2025 now mentions "persistent inflation pressure and stagnating EU economic activities" as key macro-financial conditions. • Increased geopolitical tensions and uncertainty are now highlighted as additional risks. • The JC of the ESAs will continue to develop cross-sectoral risk presentations and reports, providing regular updates to the EFC-FST in spring and autumn 2025. • The ESAs are mandated through CRD6 and Solvency II to develop guidelines for ESG stress testing by January 2026, aiming for consistency in climate stress testing approaches. • The ESAs will continue to build on financial education work, identifying areas where consumer detriment can be reduced by educating consumers and addressing information asymmetries. • Cross-sectoral risk analysis remains a priority for 2025, with the ESAs jointly assessing key trends and vulnerabilities and producing targeted cross-sectoral risk analyses.
Securitisation	• In 2024, the JCSC continued its efforts to provide a consistent approach to cross-sectoral questions stemming from the Securitisation Regulation and will assess concrete cases in relation to the supervision and enforcement of the Securitisation Regulation. • The JCSC will stand ready to contribute to possible legislative proposals on the revision of the Securitisation Regulation. • Under the Securitisation Regulation, the JC is due to report to the EC on the implementation and functioning of the Securitisation Regulation, including recommendations on addressing initial inconsistencies and challenges affecting the overall efficiency of the current securitisation regime. The report will include an analysis of the geographical location of the Special Securitisation Purpose Vehicle (SSPE) to provide guidance to the European Commission in the context of a possible revision of the Securitisation Regulation.	• The JCSC will publish its second report on the functioning of the securitisation regulatory framework under Article 44 of the Securitisation Regulation in Q4 2024. In 2025, the JCSC will launch follow-up work on that report, including any required technical advice or opinion. • Furthermore, the JCSC will continue its efforts to provide a consistent approach to cross-sectoral questions stemming from the Securitisation Regulation and will assess concrete cases in relation to the supervision and enforcement of the Securitisation Regulation. • The JCSC will stand ready to contribute to possible legislative proposals on the revision of the Securitisation Regulation. • The JCSC will follow up on the delivery in Q4 2024 of the JC report under Article 44 of the Securitisation Regulation containing recommendations on the revision of the Level 1 Regulation. Where necessary, the JCSC will provide the European Commission with all relevant information and analysis and ensure the cooperation required for the implementation of the actions under CMU, in particular those necessary for the revitalisation of the securitisation market on a sound basis. • The JCSC will continue working on further developing a common understanding of the rules, best practices, and common supervisory tools (supervisory case discussions, common manual, or supervisory briefing) to ensure a common supervisory approach at the EU level. Additionally, the JCSC will monitor the market, notably regarding developments in private and public transactions, STS and non-STS transactions, CLOs, and CMBS

		transactions.
External Credit Assessment Institutions (ECAIs)	No major changes but a continued focus on: • The ESAs will continue to pursue regulatory work on ECAIs, following the mandate to the JC of the ESAs under article 136 of Capital Requirements Regulation (**CRR**) to specify and monitor the correspondence between the relevant credit assessments issued by an ECAI to the Credit Quality Steps set out in the CRR "mapping". • The mappings under article 109a(1) of Solvency II will be amended accordingly to ensure a consistent usage of ECAIs' credit assessments under the banking and insurance regulatory framework.	
Other joint work	• The JC of the ESAs will address cross-sectoral matters such as the mandates and questions related to PRIIPs and the Securitisation Regulation. • Through the newly established ESAs coordination group on ESAP, the ESAs will work on the development of the ESAP system and its functionalities. • The JC of the ESAs enhances confidence and strengthens the protection of European consumers in relation to banking, insurance, pensions, and securities products. This will continue to be an area of priority in 2024. • Subject to the outcome of negotiations between co-legislators, the ESAs stand ready to work on drafts of RTS resulting from proposed amendments to the PRIIPs Regulation in the Commission's Retail Investment Strategy. • The ESAs will prepare an Annual Report based on the information submitted by NCAs on administrative sanctions or measures imposed under the PRIIPs Regulation. • Expected output includes the organisation of workshops to exchange lessons learned on financial education initiatives. • The JCSC will continue its efforts to provide a consistent approach to cross-sectoral questions stemming from the Securitisation Regulation and will assess concrete cases in relation to the supervision and enforcement of the Securitisation Regulation. • The JCSC will stand ready to contribute to possible legislative proposals on the revision of the Securitisation Regulation. • Expected outputs include the follow-up to the outcome of the updated EFIF report on Innovation Hubs and sandboxes and the 2023 survey on the evolution of mixed activity groups (MAGs).	• The JC of the ESAs will have delivered all DORA policy mandates envisaged in Level 1, focusing on supervisory convergence work on the application of the DORA framework. This includes new joint governance processes to be defined in 2025, oversight responsibilities on designated critical third-party ICT service providers, and reports related to the ESRB recommendations on an EU systemic cyber incident coordination framework. • The JC substructures dedicated to DORA will evolve, setting up the new Oversight Forum for oversight purposes and adapting the governance structure for non-oversight related tasks. • The JC of the ESAs, after finalising most DORA technical standards, reports, and guidelines, will deliver a feasibility study on the potential centralisation of major ICT-related incidents by mid-January 2025. • During 2025, the ESAs expect to work on drafting RTS based on the empowerments in the proposed amendments to the PRIIPs Regulation in the European Commission's Retail Investment Strategy, subject to the outcome of negotiations between co-legislators. • The ESAs will report on administrative sanctions or measures imposed under the PRIIPs Regulation during 2024 based on information submitted by NCAs. • Expected outputs include reports, workshops, leaflets, and other suitable means and channels for the use of behavioural finance findings for supervisory purposes. • The JCSC will continue its efforts to provide a consistent approach to cross-sectoral questions stemming from the Securitisation Regulation and will assess concrete cases in relation to the supervision and enforcement of the Securitisation Regulation. Follow-up work on the JC report under Art. 44 of Securitisation Regulation will include any required technical advice or opinion, development of common and consistent supervisory approaches and Q&As. • More details on the expected outputs for 2025 will be specified in the EFIF Annual Work Programme to be finalised and adopted by the JC of the ESAs.

Outlook and next steps

The JC of the ESAs' AWP for 2025 builds upon a number of key deliverables well underway in 2024. As explored in the individual AWPs of the ESAs, there are quite a number of items that will warrant the collaborative efforts of the ESAs, the European Commission and the ESRB to achieve instrumental change over the course of 2025.

The work of the JC also in 2025 will see an extension of its remit to new topics and firms (including ICT firms) in respect of digital operational resilience while at the same time a step up in aims to foster greater innovation across financial services. All of this aligns with the European Commission's Digital Finance Strategy and aims to create a common supervisory response to new technologies. Further detailed outputs for 2025 will be specified in the EFIF AWP, which will outline key initiatives such as monitoring BigTechs and large non-financial groups providing financial services in the EU – which thereby extends the reach and importance of the JC of the ESAs even further.

About us

PwC Legal is assisting a number of financial services firms and market participants in forward planning for changes stemming from relevant related developments. We have assembled a multi-disciplinary and multijurisdictional team of sector experts to support clients navigate challenges and seize opportunities as well as to proactively engage with their market stakeholders and regulators.

In order to assist firms in staying ahead of their compliance obligations we have developed a number of RegTech and SupTech tools for supervised firms. This includes PwC Legal's Rule Scanner tool, backed by a trusted set of managed solutions from PwC Legal Business Solutions, allowing for horizon scanning and risk mapping of all legislative and regulatory developments as well as sanctions and fines from more than 1,500 legislative and regulatory policymakers and other industry voices in over 170 jurisdictions impacting financial services firms and their business.

Equally, in leveraging our Rule Scanner technology, we offer a further solution for clients to digitise financial services firms' relevant internal policies and procedures, create a comprehensive documentation inventory with an established documentation hierarchy and embedded glossary that has version control over a defined backward plus forward looking timeline to be able to ensure changes in one policy are carried through over to other policy and procedure documents, critical path dependencies are mapped and legislative and regulatory developments are flagged where these may require actions to be taken in such policies and procedures.

The PwC Legal Team behind Rule Scanner are proud recipients of ALM Law.com's coveted "2024 Disruptive Technology of the Year Award".

If you would like to discuss any of the developments mentioned above, or how they may affect your business more generally, please contact any of our key contacts or PwC Legal's RegCORE Team via de_regcore@pwc.com or our website.

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