



IN THIS ISSUE:

DOSSIERS

- RIS
- Investment costs
- Sustainable finance
- MiFID II
- Pensions
- EU Digital package on simplification
- DORA
- AML/CFT

EVENTS

- 12th ESAs Consumer Protection Day – 5 November
- WFII second web meeting on the use of AI by insurance intermediaries – 10 December
- BIPAR 2026 mid-term meeting - 22-23 January in Vienna

WHAT TO EXPECT IN DECEMBER?

- Timeline

Key EU developments relevant to insurance and financial intermediaries

As the regulatory landscape across Europe continues to evolve, Brussels remains at the heart of critical discussions shaping the future of insurance and financial intermediaries. Several dossiers currently under debate could significantly impact the way intermediaries operate across the EU.

In this edition, we provide a concise overview of the most relevant initiatives, consultations and legislative developments coming from the European institutions and European supervisory authorities, based on emails sent to BIPAR members in November.

This document is not for publication. It is designed for distribution to staff and board members of national associations that are members of BIPAR. We hope this service will be useful to you and will help you to communicate with your Board members about BIPAR and European issues that you are working on within your national association.



European Federation of Insurance Intermediaries (BIPAR Aisbl)

Avenue Albert-Elisabeth, 40 - 1200 Brussels – Belgium

Tel: +32-2-735.60.48 - bipar@bipar.eu - www.bipar.eu

EU Transparency Register ID: 349128141758-58

Company no: BE 0562 817 754

DOSSIERS

RIS (Retail Investment Strategy)

(for details, see mails on this dossier sent on 14 and 18 November)



Council's next Working Party on 19 November/Trilogue on 25 November

On 14 November, BIPAR sent to its members 5 working notes on inducements, Value for Money, Inducement, Investor journey and the non-essential level 2 within Solvency II, prepared by the Danish EU Presidency ahead of the Council's next Working Party on 19 November and the next trilogue on 25 November.

BIPAR also sent RIS Omnibus proposed Directive and the PRIIPs proposed Regulation in the 5 columns format (Commission's text, EP and Council mandates, draft proposed/endorsed agreement, Member States' comments).

Some of the proposals of the Danish Presidency are in line with BIPAR position (for example, the deletion of the best interest test) and some are not (for example, the maintaining of a suitability light test - and this for all types of advice).

Some of the endorsed draft agreements are in line with BIPAR position (for instance, line 416 regarding EP amendments to IDD Article 1 that are deleted and replaced by a review clause), whereas others such as the PRIIPs new requirement to add a link to the Key Information Document on the distributor website to the manufacturer website- are not.

Inducements: Still ban on inducements when insurance intermediaries distributing IBIPs inform their customers that advice is given on an independent basis (but insurance intermediaries presenting themselves as not contractually tied to a specific insurance undertakings can receive inducements from the latter) Proposed inducement test rules are still stricter than the current IDD inducement rules.

BIPAR provided a summary of the Danish Presidency's working notes, with a focus on key issues for our sector. It also sent BIPAR views and some proposals for amendment for the key topics (value for money, inducements, investor journey, PRIIPs) and asked its members to use it to contact their representatives from the Parliament and the Council/the representatives of their Permanent Representation in Brussels, ahead of the Council Working Party (CWP) on 19 November and the next RIS trilogue meeting on 25 November.

RIS and FIDA simplification

On 18 November, BIPAR resent to its members a [letter](#) sent on 20 October to Mr. Costa, President of the European Council from various EU Government leaders. BIPAR asked its members to identify who the "simplification" diplomat for their country was in the permanent representation of their government in Brussels, and to send him/her a model letter.

Investment costs

(for details, see mails on this dossier sent on 13 November)



ESMA report on total costs of investing in UCITS and AIFs in the EEA – Important focus on distribution costs and inducements

On 12 November, the BIPAR Secretariat attended a brief ESMA webinar during which ESMA presented its ad hoc [report on total costs of investing in UCITS and AIFs](#) that was published on 6 November (together with a [factsheet](#) aimed at investors). ESMA explained that the report provides, for the first time, a comprehensive assessment of the total costs charged to investors in EEA investment funds, including an innovative analysis of distribution costs. It complements ESMA's annual monitoring of the

performance and costs of EU investment products, and responds to a [request](#) from the EU Institutions.

Some important findings of the report for intermediaries:

- traditional intermediation dominates EEA distribution
- Distribution costs have a high share in total costs and are higher for UCITS than for AIFs.
- PRIIPs KIDs maximum one-off fees do not reflect actual fees
- Distribution represents 48% of UCITS total costs and 27% of AIFs. Distribution costs differ by provider, distributor, asset and fund type - with traditional distribution having the highest distribution costs. Digital/Neobrokers are cheaper (but mainly offer execution only and portfolio management services).

- Inducement agreements are widespread and amount on average to 45% of product ongoing costs for UCITS and to 34% of product ongoing costs for AIFs. There is a heterogeneity in the level of inducements paid from manufacturers to distributors across Member states.
- Main cost drivers are the type of investor, the amount invested, the distribution channel and the service offered.
- High heterogeneity of costs across Member States, driven by distribution patterns.
- Detailed cost components are not available and distribution cost information is not fully harmonised in EU regulation.

During the webinar, ESMA stated that its analysis provides a useful contribution to the ongoing RIS and SIU debate, especially in relation to retail participation. It does not plan to repeat this exercise in the near future but sees potential for further analysis (subject to data and resource availability): in-depth focus on the insurance sector as distributor channel; in-depth focus on new entrants (e.g. digital platforms); service-related analysis.

BIPAR has asked its members to share their comments on this ESMA report.

Sustainable finance

(for details, see mails on this dossier sent on 12, 17, 24 November)



SFDR level 1 review – Key amendments under Commission's proposal

The European Commission's [proposal](#) for the revision of the Sustainable Finance Disclosure Regulation (=SFDR) was published on 20 November. The official proposal was published alongside a [Q&As](#) and an [impact assessment](#). The proposal in a nutshell:

- it introduces new products categorisation (art.7, 8 and 9): Transition, ESG integrated and sustainable products;
- no more PAIs (principal adverse impacts) disclosures requirements at entity level for (insurance) intermediaries;
- no more mandatory information on remuneration policies for (insurance) intermediaries.
- modifications in the PRIIPs KID (new section “How sustainable is this product”).

According to the Commission, the aim of the proposed amendments to the SFDR is to fix its current shortcomings. The existing rules create overly long complex disclosures and have unintentionally acted as a product labelling system, confusing investors, and raising greenwashing risks. The new changes aim to simplify reporting, make information more understandable for investors, especially retail investors, and reduce compliance burdens for financial product providers. Overall, the reforms are designed to strengthen the EU's sustainable finance framework, improve market competitiveness, and encourage more retail participation in capital markets while directing more funds toward sustainable objectives (which is in line with the objectives of the Savings and Investments Union - SIU).

BIPAR would like to highlight that the Commission intends to include new product categories relating to sustainability preferences in the IDD and MiFID II delegated regulations in its final proposal.

The text will now be submitted to the EP and the Council for deliberations.

ESG Reporting by firms: European Parliament adopted JURI proposal to reduce reporting obligations– First trilogue on 18 November

As informed previously, BIPAR reminded its members on 17 November that the European Commission, the European Parliament and the Council were studying ways to make sustainability (ESG) reporting requirements for all firms in the economy more realistic than initially planned. BIPAR, in cooperation with its national associations, continues to communicate its views, positions and suggestions with the EP, the Council and the Commission, in the interest of a lighter and more realistic regime.

On 13 November, the EP voted for the JURI mandate to go to trilogue, meaning that the first trilogue will take place on 18 November. Negotiations are expected to finish on 8 December.

What is at stake? (in a nutshell)

- Insurance intermediaries (and other companies up to 1000 employees) could become subject to a much lighter reporting regime than initially defined by existing legislation.
- BIPAR continues, together with our national member associations, to call and promote simplification in this (and other) dossier(s).

BIPAR called upon national associations for action with national politicians in preparation of the 18 November trilogue and upcoming negotiations.

MiFID II (Markets in Financial Instruments Directive)

(for details, see mails on this dossier sent on 5 November)



ESMA and EBA advise targeted changes for the Commission's future review of the investment firms prudential framework

On 15 October, the European Banking Authority (EBA) and the European Securities and Markets Authority (ESMA) issued a [joint technical advice](#) in response to the European Commission's Call for Advice on the Investment Firms Regulation (IFR) and Investment Firms Directive (IFD). The IFR and IFD stipulate that the Commission must present a review report to both the Council and Parliament on different aspects of the IFR and IFD, which could potentially include a proposal for legislative changes to the framework.

EBA and ESMA are of the overall opinion that the current framework achieves its objectives and provides a robust

and risk-sensitive prudential framework tailored to the size, activities and complexity of MiFID investment firms. However, they point out some technical issues and areas for potential improvements that justify changes to the framework. The advice covers various points of interest to financial intermediaries, many of which qualify under IFD/IFR as “small non-interconnected firms” - firms that do not conduct investment services which carry a high risk for clients, markets or themselves, and where their size means they are less likely to cause widespread negative impacts for clients and markets if risks inherent in their business materialise or if they fail.

EBA and ESMA will submit the joint report to the European Commission. BIPAR will continue to monitor this file and has asked its members to send any comments they may have on the technical advice.

Pensions

(for details, see both mails on this dossier sent on 21 November)



Commission's proposals for amending the pension system

After consulting stakeholders, such as BIPAR, and after receiving the input from EIOPA, the European Commission has now published its proposals for amendment of the pensions systems and more in particular:

- [review](#) of the existing EU framework for the **PEPP** (Pan-European Personal Pension Product),
- [review](#) of the existing EU framework for **IORPs** (institutions for occupational retirement provision),
- [recommendation](#) (non-legally binding) on **pensions tracking systems, pension dashboards and auto-enrolment**
- a [communication](#) and [staff document](#).

In its [press release](#), the Commission stresses that the aim of the proposed measures is to strengthen both the demand for and the supply of supplementary pensions. *“The initiatives fully respect Member States' competences to organise and design their national pension systems, as well as the autonomy of the social partners where they are responsible for establishing and managing pension schemes. The proposals are to complement – not replace – public pensions, which are the foundation of pension systems in all Member States.”*

The package is part of the [Commission's Savings and Investments Union \(SIU\) Strategy](#).

Maria Luís Albuquerque, Commissioner for Financial Services and the Savings and Investments Union, said: *“Our goal is clear: everyone should be able to maintain good standard of living in retirement. This is why we have adopted a comprehensive approach to strengthen supplementary pensions to complement, not replace, public pensions. Our measures will give Europeans better tools to plan for old age with confidence, while also unlocking new sources of funding to boost the EU economy. I urge all stakeholders, including Member States, to join our efforts, as effective implementation at national level will be critical to achieve those shared objectives.”*

For PEPP, the Commission proposes removing the fee cap and instead proposes a basic PEPP without advice (and if advice for a basic PEPP, then only upon request of the client and on an independent basis), with a lifecycle investment approach and with at least 95 % of the assets invested in non-complex assets. It also introduces “tailored PEPPs” where advice remains mandatory. Value for money from IDD in RIS to be copied into the PEPP context

The BIPAR Secretariat will analyse these proposals in depth and prepare detailed positions and suggested amendments for its member associations to comment on.

BIPAR input to EIOPA consultation on a European toolkit for defined contribution supplementary pensions

EIOPA, as part of its ongoing work on pensions, has started working on a “DC (Defined Contribution) pensions toolkit”. The toolkit seeks to foster the development of supplementary DC pensions as well as enhance existing DC arrangements and is aimed at policymakers, social partners, regulators and supervisors.

The toolkit is intended to provide practical guidance, principles and (non-legally binding) recommendations to help Member States address the pensions gaps. EIOPA is asking several questions and welcomes additional evidence in the form of case studies, data, statistics, research, and lessons learned from international experiences to inform the development of this future toolkit.

The questions include amongst others Value for Money (VfM) questions on how VfM can be measured across supplementary DC pensions; what quantitative + qualitative criteria should be used for assessing VfM (accumulation and decumulation phase); how supervisors can create composite benchmarks for DC pension plans ; are there any specific scheme design features or innovations that could improve VfM; to what extent do governance and oversight models impact on VfM in supplementary DC pensions.

BIPAR sent to its members its draft input to EIOPA's consultation and asked for any additional comments by 25 November. It then finalized and submitted the input to EIOPA.

EU Digital package on simplification

(for details, see mails on this dossier sent on 26 November)



On 19 November 2025, following the European Commission's commitment to simplify the EU's digital rulebook, the Commission published a [Digital Package on Simplification](#), including a Digital Omnibus, a European Business Wallet proposal (Regulation) and a

European Data Union Strategy (Communication). The Digital Omnibus includes a proposed Regulation with targeted amendments to the GDPR, ePrivacy rules, the Data Act, and cyber incident reporting rules across EU laws (including DORA), and [a proposed Regulation amending the AI Act](#).

Most of the above-mentioned EU texts apply to intermediaries.

Amendments to these EU texts include, amongst others,

- AI: It is proposed to replace the binding obligation on providers and deployers (such as insurance intermediaries) of literacy regarding AI systems with a non-binding encouragement for the Commission and

Member States to promote AI literacy through training and best practice sharing.

- DORA/GDPR: The Digital Omnibus introduces a single-entry point where companies can meet all incident-reporting obligations via an ENISA single portal. Currently, companies operating in the EU must report cybersecurity incidents under several laws, including among others the NIS2 Directive, GDPR and DORA, each requiring separate notifications in the event of a cyber incident.

BIPAR welcomes the fact that the package aims to make EU digital laws simpler to apply to companies, including intermediaries. In its positions on the proposals, BIPAR will focus on ensuring that the proposed rules are clear, proportionate, and workable in practice for intermediaries and their clients.

The digital Omnibus legislative proposals will be submitted to the European Parliament and the Council for discussion, amendment and adoption (readings).

DORA (Digital Operational Resilience Act)

(for details, see mail on this dossier sent on 26 November)



BIPAR sent to its members a short update on the **Digital Operation Resilience Act (DORA)**, and more in particular information regarding:

1. the list of designated critical ICT third party providers
2. ESAs Q&As

Reminder: DORA started to apply, together with its level 2 measures, on 17 January 2025. Insurance intermediaries who are SMEs and microenterprises are exempted from

the scope of DORA and its level 2 measures. Opt-out investment firms under MiFID II are exempted as well. Larger insurance intermediaries are in the scope of DORA (more than 250 people, an annual turnover of more than EUR 50 million and/or an annual balance sheet of more than EUR 43 million). In some cases, intermediaries, if considered by insurers as ICT (Information and Communication Technology) Third Party Providers or in the context of delegations of authorities under Solvency II, may have to comply with some DORA requirements.

AML/CFT (Anti-money laundering/countering the financing of terrorism)

(for details, see mails on this dossier sent on 19 and 24 November)



EBA's advice to the Commission on new EU framework

On 30 October, following a public consultation that BIPAR participated in, the European Banking Authority (EBA) responded to the European Commission's call for advice on the key components of the new anti-money laundering/countering the financing of terrorism (AML/CFT) EU framework. EBA published its [advice](#), i.e. 4 draft Regulatory Technical Standards (RTS) that with compliance of institutions and supervisors with their AML/CFT obligations under the new AML/CFT package and introduce new and in certain cases heavy and complex requirements for credit, insurance and financial intermediaries.

Some proposals made by BIPAR in its response to EBA's consultation have been taken into consideration.

Remaining issues: BIPAR believes that some proposed requirements should be more proportionate to the size,

nature and risk of intermediaries' activities. The verification measures to be conducted on a non-face-to-face basis are too demanding and should be simplified/reduced.

It will fall to AMLA (the new AML European Authority), in consultation with the Commission, to take these proposals forward. BIPAR drafted a letter to AMLA on EBA's advice and asked its members to comment on it by 1 December.

Reminder: The current EU AML/CFT rules apply to insurance intermediaries where they act with respect to life insurance and other investment-related services and investment firms. The scope of the revised rules in relation to insurance intermediaries remains the same. Only the intermediaries, which are subject to the AML/CFT requirements under the current framework, will have to comply with the new AML/CFT requirements. The revised rules have also introduced AML/CFT requirements for some consumer and mortgage credit intermediaries.

EVENTS

Past

12th ESAs Consumer Protection Day – 5 November

(mail on this issue sent on 12 November)

BIPAR attended the 12th ESAs Consumer Protection Day, which took place in Riga on 5 November. This annual event is co-organized by the three European Supervisory Authorities – EBA (European Banking Authority), EIOPA (European Insurance and Occupational Pensions Authority) and ESMA (European Securities and Markets Authority). It brings together consumer advocates, regulators, EU institutions, academics and market participants from across Europe to discuss key EU-wide consumer protection issues in financial services. The following topics were discussed: simplification of the customer journey - How can regulation better support good consumer outcomes, risks linked to crypto-assets, fraud and scams in the digital era.

BIPAR prepared a summary of the discussions of the day.

Future



WFII second web meeting on the use of AI by insurance intermediaries – 10 December

(mail on this issue sent on 26 November)

The World Federation of Insurance Intermediaries (WFII) will organize a second webinar on the use of AI by insurance intermediaries. With the support of WFII's Canadian member association, BIPAR has identified another company based in Canada that is willing to share its AI expertise during a 60-minute online meeting that will take place on **Wednesday 10 December 2025, from 13:00 to 14:00 Brussels time**. This Canadian company runs a series of sessions focused on educating insurance intermediaries about AI and showcasing real use cases within intermediary firms. The **proposed topics** for the session include key aspects of AI intermediaries should understand; mapping AI concepts to specific intermediary workflows; risks and limitations of AI in an intermediary environment; evaluating return on investment (ROI) for AI deployments (time saved/new revenue generated/increased capacity); how to evaluate a vendor (security and data storage/training models and potential risks/point solutions vs. multi-function platforms); case study.

BIPAR 2026 mid-term meeting on 22-23 January in Vienna

(mail on this issue sent on 7 November)

The following speakers have confirmed their participation at the BIPAR 2026 mid-term meeting, which will take place on 22 & 23 January in Vienna at the Intercontinental Hotel:

- **Bruna Szego**, Chair of AMLA
- **Tilman Lueder**, European Commission, DG FISMA, Head of Unit Insurance and Pensions
- **Fausto Parente**, Executive Director EIOPA
- **Klaus Driever**, Senior Executive Strategische Digitale Initiativen & Koordination, Vorstand Bitkom AK Digital Insurance & InsurTech – Managind Executive at Allianz Kunde und Markt
- **Bridget Gainer**, Global Head of PA & Policy, AON
- **Prof. Karel Van Hulle**, Prof. em. KU Leuven and Honorary Professor Goethe University Frankfurt
- **Alberto Corinti**, Lecturer of Economy of Financial Intermediaries, Bocconi University, Milan

Their contributions promise to spark meaningful discussions and inspire fresh perspectives on the challenges ahead for our sector. BIPAR members will be informed in December about other speakers and topics.

WHAT TO EXPECT IN DECEMBER?

9 December

COUNCIL WORKING PARTY
ON SFDR

12 December

EFRAG THIRD SME FORUM MEETING
Supporting Guides and VSME Market
Acceptance

17 December

POTENTIAL TRILOGUE ON
RIS