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## 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 **May 2026**.

This document is not for publication.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.



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## DOSSIERS

### Sustainable finance

(for details, see mails on this dossier sent on 12 & 19 May)



#### EC “voluntary standard” for voluntary sustainable reporting

On 6 May, the European Commission published a [consultation on its draft voluntary sustainability reporting standard](#) (=VS), based on the VSME (Voluntary Sustainability Reporting

Standard for non-listed SMEs). The VS aims to reduce administrative burden while maintaining CSRD (Corporate Sustainability Reporting Directive) objectives: better quality, comparability, and transparency of sustainability data. It targets companies outside CSRD scope.

A central feature is the “value chain cap”, limiting the ESG data that CSRD companies can request from partners (up to 1,000 employees) to what is included in the voluntary standard. The scope is expanded compared to VSME, now covering companies with up to 1,000 employees, while introducing lighter requirements for firms with 10 employees or fewer. The VS introduces clear reporting categories for each datapoint (“necessary”, “necessary if applicable”, “voluntary”, “sector-specific”), improving clarity and usability. The two-module structure remains (basic + comprehensive), with simplified datapoints, reduced requirements (e.g. removal of GHG intensity), and greater proportionality for small entities.

The EC confirms the VS is fully voluntary, and that companies cannot be obliged to provide data beyond the cap (and may refuse additional requests). For intermediaries, the VS is key as it defines what ESG information insurers/banks may request, while helping limit excessive reporting demands through the value-chain cap.

In practice, the VS could become the regulatory standard for voluntary reporting. However, the VSME continues to exist alongside this VS.

BIPAR will provide feedback and has asked therefore its members to provide input.

#### Next steps

- **3 June:** Deadline to answer to EC consultation.
- **September/October 2026 (tbc):** the EC will adopt the 2 delegated acts (after scrutiny period at EP and Council level – the scrutiny period of 2 months, extendable by a further 2 months at the request of either institution).
- **Before the end of 2026 (tbc):** Once agreed, the delegated acts will enter in force.

#### ECON’s draft report on the SFDR review

In April 2026, the European Parliament’s ECON committee published its [draft report](#) on the review of the Sustainable Finance Disclosure Regulation (SFDR). This report represents the first step for the EP in developing its position, following the European Commission’s proposal to revise the SFDR framework in November 2025. At Council level, discussions are still ongoing and no formal position has yet been agreed.

The rapporteur Gerben-Jan GERBRANDY (Renew, NL) aims to improve transparency and clarity for investors, notably on sustainability characteristics of financial products. Financial advisers remain out of scope of SFDR.

A new mandatory disclaimer is introduced for non-categorised products, clearly stating that they do not meet EU sustainability standards (=anti greenwashing measure). For PRIIPs, a new “How sustainable is this product?” section is required.

The report introduces mandatory PAI (Principal Adverse Impact) indicators at product level for categorised products (with additional voluntary indicators possible), while non categorised products are excluded.

The rapporteur proposes stricter effectiveness criteria, including stronger ESG thresholds and enhanced links with EU taxonomy and benchmark frameworks.

The application period is extended to 24 months, with simplified and shorter disclosures (2-page maximum) aimed at retail investors.

BIPAR would propose an amendment to the EC proposal and asked its members for their views and comments on it, as well as any concerns they may have on the SFDR 2.0 new product categorisations.

#### Next steps

- **3-4 June (tbc):** EP deadline for amendments.
- **11 June (tbc):** Council agreement on its position.
- **15 July (tbc):** ECON Committee vote of the draft report.
- **Summer/early autumn (tbc):** vote in EP Plenary.
- **Autumn (tbc):** start of the trilogue.

## Natural Catastrophes

(for details, see mails on this dossier sent on 4 & 27 May)



### BIPAR's discussion paper on the role of insurance intermediaries in closing the climate protection gap

BIPAR has published on its [website](#) a discussion paper on the role of insurance intermediaries in closing the climate protection gap. This paper is part of BIPAR's ongoing work on climate resilience and adaptation and follows its recent contribution to the European Commission's consultation on a future European framework for climate resilience and risk management.

With climate losses increasing and large segments remaining underinsured, the paper shows how intermediaries help translate climate risks into practical advice, support prevention and resilience, and enable innovative and alternative risk transfer solutions.

Based on real life practitioner insights from BIPAR members, the paper aims to inform and support the Commission's reflections ahead of its planned 2026 work on climate resilience and risk management.

## MiFID II (Markets in Financial Instruments Directive)

(for details, see mail on this dossier sent on 18 May)



### BIPAR input to ESMA and EBA revised Guidelines on the assessment of the suitability of the members of management body and key function holders under CRD and MiFID

The European Securities and Markets Authority (ESMA) and the European Banking Authority (EBA) consulted on changes to their joint Guidelines on the assessment of the suitability of the Members of Management Body and Key Function Holders of investment firms. The proposed changes focus, amongst others, on proportionality, AI-digital-ESG-crypto knowledge requirements, new AML requirements.

The existing Guidelines provide common criteria to assess the individual and collective knowledge, the skills and experience of members of the management body as well as their good reputation, honesty and integrity, and independence of mind. The original Guidelines were adopted in 2017. BIPAR provided input to ESMA and EBA

when the original guidelines were being developed, putting strong emphasis on the need for proportionality, and again when ESMA and EBA made their first changes, in 2020. Key in our response then again was the need to take into account proportionality for smaller firms.

BIPAR input to this consultation focused on the need for proportionality in particular for small firms. BIPAR asked its members to provide their input.

#### Next steps

- Once all consultation input has been received, ESMA and EBA will finalize their updated joint Guidelines. The Guidelines will apply 6 months after the publication of all translations of the Guidelines, but the text states that they will apply no later than **31 December 2026**.
- Once the revised Guidelines enter into force, the current July 2021 Guidelines will be repealed.
- Competent authorities will have to notify the EBA and ESMA as to whether they comply or intend to comply with these guidelines or otherwise state their reasons for non-compliance.

## Pensions

(for details, see mail on this dossier sent on 21 May)



### Supplementary pensions – IORP/PEPP

The Rapporteurs of the European Parliament's Employment and Social Affairs Committee (EMPL), for PEPP and for IORPs, have published their draft opinions ([PEPP / IORPs](#)). The lead committee for both files is the ECON committee, which will decide later on whether or not to take into account the EMPL opinions.

The opinion rapporteur for PEPP Liesbet Sommen (EPP, BE) proposes to reintroduce the fee cap (abolished in the Commission's proposal) for the basic PEPP and she keeps the Commission's proposals for a non-advised Basic PEPP (only advice on request of the saver possible and on an independent basis – without inducements). She furthermore removes the level 2 and stresses the Regulation should not prevent Member States from maintaining or introducing more stringent national

measures on costs, guarantees or consumer protection, provided that such measures are non-discriminatory.

She adds protection mechanisms for Basic PEPPs, removes the workplace PEPP and any reference to tax advantages, and calls for the creation of an annual European Union Pension Forum.

The IORP draft opinion (Rapporteur Estelle Ceulemans (S&D, BE) contains various similar proposals. It does not change anything to the Commission's proposed changes to the IDD.

BIPAR will prepare a call for action ahead of the discussion of the opinions/amendments and ahead of the EMPL committee votes.

BIPAR also sent emails on the Council's discussions (see mails of 19, 20, 27 and 28 May).

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

(for details, see mail on this dossier sent on 5 May)



### BIPAR draft response to AMLA consultation on its draft RTS on CDD - New consultations on two additional draft RTS/guidelines

The Authority for Anti Money Laundering and Countering the Financing of Terrorism (AMLA) launched a consultation on two draft Regulatory Technical Standards (RTS) under the new Anti-Money Laundering Regulation and Directive:

1. Draft RTS on **Customer Due Diligence (CCD)** build on the AML Regulation framework. It sets out how obliged entities verify customer identity and conduct ongoing monitoring in a risk-sensitive and proportionate way.

Based on the comments it received from some of its members, BIPAR prepared its final draft response to this consultation. In its final draft response, it welcomes the fact that the obligation to update customer information every 5 years (too heavy for SMEs intermediaries) and the obligation to provide specific information (e.g. city of birth of customers), which was not realistic as in most of cases intermediaries do not have access to this information, have been deleted from EBA draft RTS and subsequently from AMLA draft RTS.

BIPAR also welcomes that a new Article 1 was introduced (by the EBA and kept by AMLA) which specifies that obliged entities must collect information and apply measures in line with a risk-based approach. It also ensures that both the scope of information and the measures applied across the RTS are proportionate to the ML/TF risk identified. Additionally, it is important that it is now clarified that obliged entities are not required to collect all specified information in every case.

BIPAR believes, however, that some requirements in the draft RTS are still too complex and heavy to comply with, in particular for intermediaries.

2. Draft RTS on **criteria for identifying business relationships, occasional transactions and linked transactions**. It forms the structural basis upon which customer due diligence obligations apply.

BIPAR and its members did not identify any specific issues with this draft RTS. The criteria in this draft RTS apply to all obliged entities, including intermediaries. While some criteria are universal (Article 2.1), others are tailored to specific categories of obliged entities (Article 2.3, 4 and 5- insurance intermediaries are not amongst these categories).

Article 3 of this draft RTS provides criteria which should be taken into account when considering the different elements of the definition of linked transactions. Some of the criteria in Article 3 should only be taken into account based on information available to the obliged entity.

BIPAR did not intend to send any comments on the draft RTS, but it asked its members to double check what impact these proposals could have on their national requirements.

AMLA has recently launched two new consultations on two draft RTS/guidelines:

- Consultation on the draft RTS on group-wide minimum requirements and additional measures for subsidiaries and branches in third countries (deadline : 15 June)
- Consultation on the draft Guidelines on business-wide risk assessment (deadline : 15 July)

## Financial education and finfluencers

(for details, see mail on this dossier sent on 4 May)



On 30 April 2026, the European Parliament's Plenary adopted the ECON committee's non-legally binding [own-initiative report](#) on "Financial literacy and the rise of finfluencers in the context of the savings and investments union".

In the ECON committee, a small group of MEPs had taken this initiative as an occasion to propose an amendment introducing again a ban on commissions in financial services. BIPAR and its national associations flagged this

to various parties involved and informed the ECON committee members about their position on this issue. This amendment and two other amendments considered by BIPAR as being not objectively useful for financial education purposes were not adopted.

During the debate preceding the vote, the Rapporteur Lídia Pereira (PT, EPP) said "*Financial advice is not entertainment; it shapes real decisions. If we fail to address the digital reality, neither education nor regulation will be enough*".

## AI (Artificial Intelligence)

(for details, see mail on this dossier sent on 6 May)



### Digital Omnibus on AI

The Digital proposed Omnibus on AI – included in the Digital Package on simplification and published by the European Commission in November 2025 (available in all EU languages

[here](#)) - is a proposed Regulation that amends some provisions of the Artificial Intelligence Act ("AI Act"), in order to simplify its application and make its compliance by the industry more efficient.

**The AI act applies to insurance intermediaries.** The AI Act follows a risk-based approach and classifies AI systems into four categories according to their risk level: prohibited, high risk, limited and minimal risk. It defines a comprehensive set of governance and risk management measures that high-risk systems need to comply with, alongside the requirements already in place under sectoral legislation such as the IDD.

AI systems classified as having limited and minimal risk under the AI Act continue to operate without additional measures under the AI Act, except for a set of transparency rules (e.g. need to inform customers that

they are interacting with an AI system), the need to promote AI literacy among staff, and the development of voluntary codes of conduct. The use of such AI systems by insurance intermediaries is also subject to governance and risk management rules set out in sectoral legislation such as the IDD. Most intermediaries using an AI system in their professional practice would be considered to be "deployers" of AI systems. The AI Act would therefore apply to an insurance intermediary using an AI system in the context of his/her activities. Some intermediaries may be considered as providers (undertakings commercializing AI models).

The EP (MEPs Arba Kokalari (Sweden, EPP) and Michael McNamara (Ireland, Renew) are co-rapporteurs) and the Council, under the Cypriot Presidency, have adopted their respective positions on the proposal and the trilogue meetings have started (EP report available in [all EU languages](#) – Council document [in English](#) only).

Overall BIPAR welcomes the EU co-legislators' positions as they both aim at simplifying some of the existing provisions of the AI Act.

## IGS (Insurance Guarantee Schemes)

(for details, see mail on this dossier sent on 12 May)



### EIOPA consultation on its draft advice to the Commission

The European Insurance and Occupation Pensions Authority (EIOPA) has launched a public [consultation on its draft technical advice on minimum common standards for insurance guarantee schemes](#) (IGS) in the EU. The advice comes in response to a request from the European Commission and supplements the IGS-related aspects outlined in EIOPA's 2020 Opinion on the review of Solvency II with targeted proposals

The Insurance Recovery and Resolution Directive (IRR) requires the EC, after having consulted EIOPA, to submit a report to the European Parliament and the Council on the above matters, accompanied by a legislative proposal where appropriate, by January 2027.

Although the Solvency II and IRR frameworks play a key role in reducing the likelihood and impact of insurance failures on consumers and financial stability, EIOPA says that they cannot prevent all failures. Moreover, they do not address the unequal protection of policyholders in the EU's Single Market when failures happen.

According to EIOPA, its proposed package on minimum standards for harmonisation of IGS in the EU, represents a

balanced, proportionate and effective approach. It strengthens policyholder protection, supports the Single Market, and ensures operational readiness under the IRR, while avoiding excessive burden on insurers, the market and society. The approach focuses on targeted harmonization in line with the minimum harmonisation principle, intervening where it matters most (coverage, triggers, funding, coordination) and preserving national flexibility where appropriately needed (institutional structures).

BIPAR will respond to EIOPA consultation. It asked its members to provide input.

As a reminder, BIPAR was already contacted by the EC (DG FISMA) last year on the issue. DG FISMA has started its work on this report and met with BIPAR to discuss its position on IGS. BIPAR collected information from its members and submitted it to DG FISMA.

### Next steps

- **26 June:** deadline to respond to EIOPA's consultation.
- **31 August:** deadline for EIOPA to submit its advice package to the European Commission.
- Based on EIOPA advice, the EC will decide to propose or not to establish minimum common standards for insurance guarantee schemes (IGS) in the EU.

## WHAT TO EXPECT IN JUNE?

**9 June**

### AMLA's 1<sup>st</sup> Conference

*"Building Trust, Enhancing Integrity: A New Chapter in the EU's Fight Against Financial Crime"*

**17 June**

**EIOPA Stakeholders meeting on factsheets for consumers - NatCat**