



Regulatory Newsletter

The Financial Services Compliance and Regulation practice of Kroll provides updates from the EBA, ESMA, and AMF, as well as from the ACPR and CSSF in October 2025.



Contents

Regulatory Developments

AMF Regulatory Developments 03

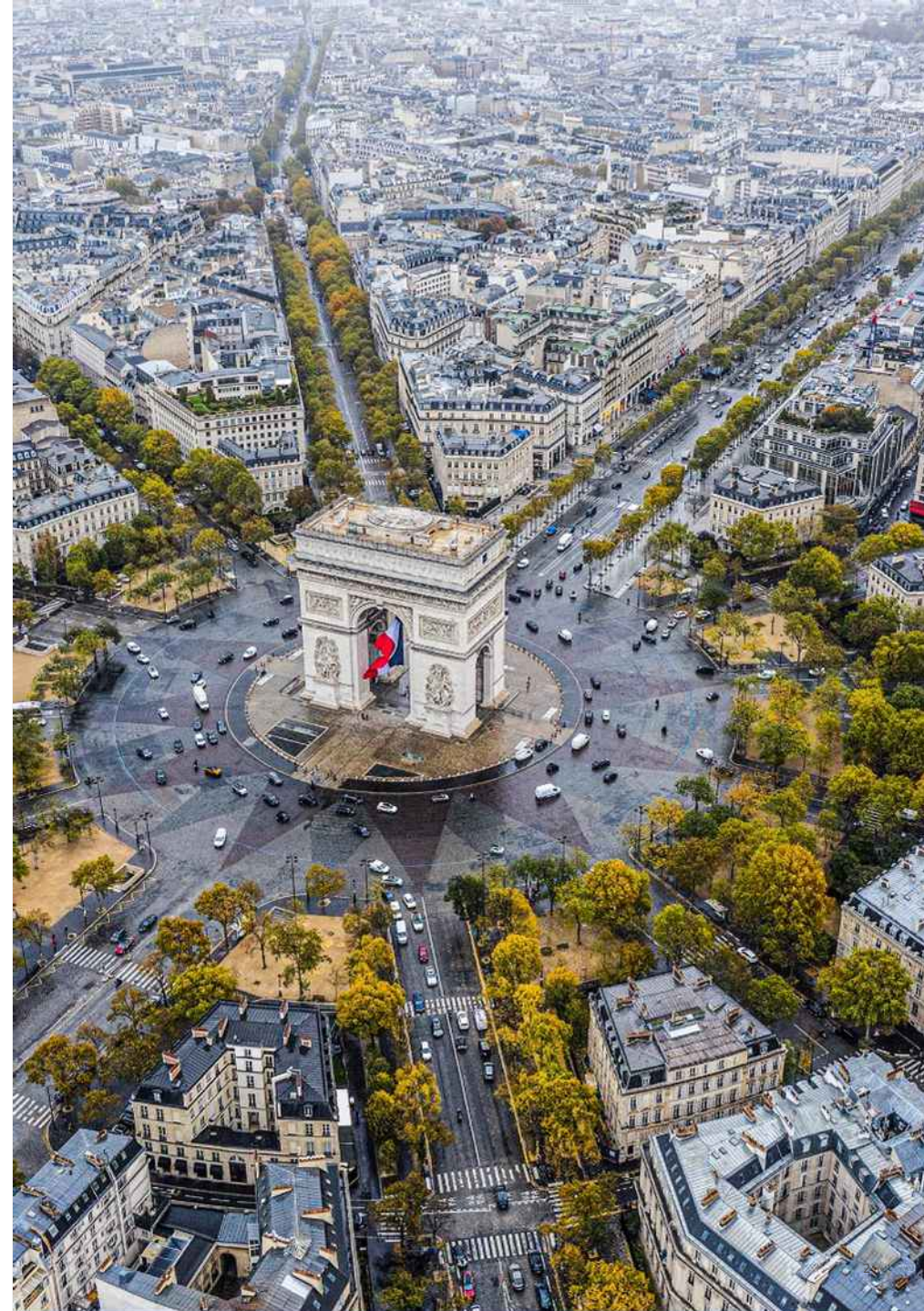
ESMA Regulatory Developments 05

Appendix

Glossary 07

Stay Ahead with Kroll 08

Contact Our Team 10



Regulatory Developments

AMF Regulatory Developments

Guarantee Scheme for Asset Management Companies' Services

07 October 2025

The AMF held a webinar on October 7, 2025, to present the Deposit Guarantee and Resolution Fund (FGDR) dedicated to the Guarantee Scheme for asset management companies' services. The webinar covered the following subjects:

1. Presentation of the regulatory framework
2. Overview of the FGDR, its structure and missions
3. Contribution calculation methods, notification format and timeline
4. Payment procedures and FGDR member relations

Certain AMCs are now legally required to adhere to a guarantee mechanism, managed and implemented by the FGDR. This mechanism is designed to compensate eligible investors when the AMC, in the context of the investment services it provides or its activity of maintaining a registered shareholder register, is unable to return or reimburse eligible financial instruments or eligible cash belonging to them. No specific formalities are required from AMCs; the AMF establishes the list of affiliated companies based on the information it holds. These affiliated members must provide investors, as well as anyone who requests it, with all relevant information regarding the asset management services guarantee mechanism (this information may be made available on the company's website).

The AMF will notify affiliated members of their contributions between October 15 and November 15. Fourteen days after the notification, the contributions will be debited from their bank accounts.

Read the article [here](#)

Administrative agreement with BNP Paribas (BNPP)

15 October 2025

BNPP agreed to an administrative composition agreement following several observations made by the AMF. The controls on fees, costs, and remuneration revealed that BNPP failed to inform clients, either ex ante or ex post, of the collection of transaction-based commissions for its own benefit. It did not provide a clear and complete ex-post illustration of the cumulative impact of costs on investment returns, nor an aggregated and intelligible presentation of all fees related to investment services. Lastly, significant shortcomings were identified in its internal control system, at both the first and second levels, regarding coverage and methodology, which undermined the effectiveness of controls over fees and costs.

BNPP is required to pay 500,000 euros to Trésor Public within 15 days of the AMF sanctions commission's approval, maintain transparent and comprehensive annual client disclosures on transaction fees, product-related costs, and investment service charges, and reinforce its internal compliance controls to ensure regulatory effectiveness.

Read the agreement [here](#)

Regulatory Developments

AMF Regulatory Developments

Summary of a SPOT control on the governance and role of senior executives in AMCs

15 October 2025

The AMF published a detailed summary of its SPOT inspections on five AMCs, focusing on governance and the role of senior executives. These inspections were part of the AMF's 2024 supervisory priorities in governance and the role of executives. The AMF assessed how executives fulfill their responsibilities in defining and overseeing policies and procedures, monitor and analyze reports submitted to them, and manage responses in the event of major incidents.

The report highlighted several good practices:

- Clear internal rules dedicated to the oversight function, clearly defining its organization, operations, and responsibilities
- Systematic process to inform staff of updates to procedures relevant to them, including, where appropriate, a request for acknowledgment of receipt for policies or procedures covering higher-risk activities
- Regular presentations by the RCCI of key points from their reports to those responsible for oversight
- Prior validation by senior management of reports submitted to the AMF, such as FRA-RAC

The AMF also identified shortcomings:

- No minimum frequency set for meetings among the company's senior management
- Lack of a formal communication channel to communicate key decisions from management committee's meetings to senior executives

Read the SPOT control [here](#)

AIFM 2 Directive

22 October 2025

The AMF has published a comprehensive overview of the AIFM 2 directive, adopted in April 2025, serving as a timely reminder of regulatory changes already established at the EU level. Intended to be updated regularly, the publication informs AMCs of key amendments to both the UCITS and AIFM frameworks.

Member States must transpose the directive by 16 April 2026, with most provisions taking effect on that date, while new reporting obligations will apply from 16 April 2027. AIFM 2 introduces changes in areas such as delegation, liquidity management tools, governance, reporting, and loan origination by AIFs.

Further details will follow through implementing measures, including delegated acts from the European Commission.

Read the article [here](#)

The FSB and the IOSCO have published two reports assessing the implementation of recommendations related to crypto-asset and stablecoin activities

27 October 2025

On 16 October 2025, the FSB and the IOSCO published two reports assessing how jurisdictions are implementing their respective recommendations on regulating crypto-assets and stablecoins. The reports, which include contributions from the AMF, offer key recommendations to legislators and international standard-setters to improve the adoption of regulations. They highlight that while regulatory progress is underway, it remains uneven and fragmented globally. They stress the need for robust, coherent frameworks to address financial stability risks and market integrity, especially concerning multi-issuer stablecoins. Both organizations urge jurisdictions to accelerate adoption of these recommendations and enhance cross-border cooperation to improve oversight and risk management.

Read the article [here](#)

Regulatory Developments

ESMA Regulatory Developments

ESMA announces 2025 ECEP and results of fact-finding on materiality considerations in sustainability reporting

14 October 2025

ESMA has published its annual Public Statement outlining the ECEP for the 2025 annual financial reports of listed issuers. The statement reaffirms ESMA's commitment to simplification and reducing administrative burden, while maintaining a strong focus on investor protection and market stability. In addition to general considerations, the issuers should focus on the following:

IFRS financial statements:

- a) Geopolitical risks and uncertainties
- b) Segment reporting

Sustainability statements:

- a) Materiality considerations in reporting under the European Sustainability Reporting Standards (ESRS)
- b) Scope and structure of the sustainability statements

ESEF digital reporting:

- a) Common ESEF filing errors found in the Statement of Cash Flows

Additionally, ESMA has released findings from a fact-finding exercise on 2024 corporate reporting practices under ESRS Set 1 that examines disclosures on the double materiality assessment process and its outcomes.

Read the article [here](#)

The EBA and ESMA recommend targeted revisions to the investment firms' prudential framework

15 October 2025

The EBA and ESMA have issued their technical advice in response to the European Commission's Call for Advice (CfA) on the Investment Firms Regulation (IFR) and Investment Firms Directive (IFD), recommending limited changes to a framework that stakeholders consider effective according to the joint consultation. The recommendations aim to:

- enhance the proportionality and functioning of the prudential framework; and
- improve the framework's ability to contribute to a level playing field among investment firms, and between investment firms and financial institutions that perform similar activities.

The report also calls for clearer definitions, better calculation methods, and harmonized monitoring thresholds, while addressing broader issues like own funds, remuneration, and interactions with other EU regulations such as MiCA, UCITS, and AIFMD.

Read the article [here](#)

ESAs' Joint Committee publishes Work Programme for 2026

16 October 2025

The Joint Committee of the ESAs has published its 2026 Work Programme, outlining key collaborative priorities aimed at strengthening the financial system's digital operational resilience, ensuring the continued protection of consumers, and identifying risks that could undermine financial stability.

In particular, the ESAs will jointly:

- ensure the effective operation of the Oversight Framework for critical third-party ICT providers under DORA,
- perform joint risk analyses amid ongoing geopolitical tensions and heightened uncertainties,
- further financial education and consumer protection in the EU's financial sector, including within the context of the European Commission's Savings and Investments Union (SIU) initiative,
- monitor developments on the securitisation market,
- collaborate on other cross-sectoral matters such as financial conglomerates, innovation facilitators and credit assessment institutions,
- support the planned review of the SFDR.

Read the article [here](#)

Regulatory Developments

ESMA Regulatory Developments

ESMA publishes second consolidated report on sanctions

16 October 2025

ESMA published its second consolidated report on sanctions and supervisory measures imposed across EU Member States in 2024. The findings show that : the number of administrative sanctions and measures remained stable compared to 2023 with 970 recorded cases ; the aggregated value of administrative fines increased and exceeded EUR 100 million ; the highest amounts of administrative fines were imposed under MAR and MiFID ; 60% of all measures were administrative fines, while 10% were resolved through settlement procedures ; and there are discrepancies in the use of sanctioning powers across the Member States.

The AMF published a complementary article detailing national figures: France's AMF led European regulators in total sanctions and settlements, reaching EUR 29.4 million – about one third of the EU total ; sanctions under MAR accounted for 70% of this amount ; the AMF imposed significant fines in asset management under AIFM and UCITS directives (respectively EUR 1.9 million and EUR 2.1 million) ; sanctions under MiFID II / MiFIR totaled EUR 4.7 million ; and France's use of administrative settlements was notably higher than the EU average.

Aligned with ESMA's 2023–2028 Strategy, the consolidated report supports supervisory and enforcement convergence across the EU and promotes greater transparency on sanctions, which are key elements for advancing the Savings and Investments Union.

Read the report [here](#)

ESMA publishes implementing rules on loan-originating AIFs

21 October 2025

ESMA has published the draft RTS concerning open-ended loan-originating AIFs (OE LO AIFs). These standards outline the requirements with which loan-originating AIFs are to comply to maintain an open-ended structure. Key requirements include implementation of a robust liquidity management system, availability of liquid assets, stress testing, and appropriate redemption policy having regard to the liquidity profile of OE LO AIFs. The RTS also set out a list of factors AIFMs shall consider to determine the redemption policy and assess the liquidity of OE LO AIFs.

The draft RTS are following a consultation paper published on 12 December 2024. The RTS were mandated under the AIFMD and have been submitted to the European Commission for adoption; final adoption should not occur before 1 October 2027.

Read the report [here](#)

Cyber risk and digital resilience will drive the agenda of ESMA's Union Strategic Supervisory Priorities for 2026

24 October 2025

ESMA has reaffirmed its focus on cyber risk and digital resilience as a key Union Strategic Supervisory Priority (USSP) for 2026, continuing the focus established in 2025 in alignment with the implementation of DORA. While welcoming NCAs' strong initial engagement, ESMA calls for continued efforts to ensure effective supervisory implementation. Together, ESMA and NCAs have actively worked to monitor financial entities' compliance with DORA, aiming to strengthen ICT risk management across EU financial markets.

In 2025, ESMA and NCAs maintained their intensive supervisory work on ESG disclosures, an established USSP since 2022, helping to advance ESG compliance across the sustainable investment ecosystem. In 2026, efforts will focus on consolidating progress and addressing high-risk areas.

Looking ahead, ESMA plans to identify additional supervisory topics that may require coordinated attention at the EU level.

Read the article [here](#)

Glossary

ACPR - Contrôle Prudentiel et de Résolution

AFG - Association Française de la Gestion d'Actifs

AIF - Alternative Investment Funds

AIFM - Alternative Investment Fund Manager

AMC - Asset Management Companies

AMF - Autorité des Marchés Financiers

AML-CTF - Anti-money laundering and counter-terrorism financing

ASPIM – Association Française des Sociétés de Placement Immobilier

CDR - Commission Delegated Regulation

CSSF – Commission de surveillance du secteur financier

CSRD - Corporate Sustainability Reporting Directive

CNIL - French Data Protection Authority

DORA - Digital Operational Resilience Act

EBA – European Banking Authority

EC – European Commission

ECB - European Central Bank

ECEP - European common enforcement priorities

EIOPA - European Insurance and Occupational Pensions Authority

ELTIF - European long-term investment funds

EMIR - European Market Infrastructure Regulation

ESAs - European Supervisory Authorities (EBA, EIOPA and ESMA)

ESEF - European Single Electronic Format

ESG - Environmental, social, and governance

ESMA - European Securities and Markets Authority

ESRS - European Sustainability Reporting Standards

EU – European Union

ETF - Exchange Traded

Funds

FSB - Financial Stability Board

GDPR - General Data Protection Regulation

ICT - information and communication technology

IFRS - International Financial Reporting Standards

IOSCO - International Organization of Securities Commissions

MiCAR - Markets in crypto-assets Regulation

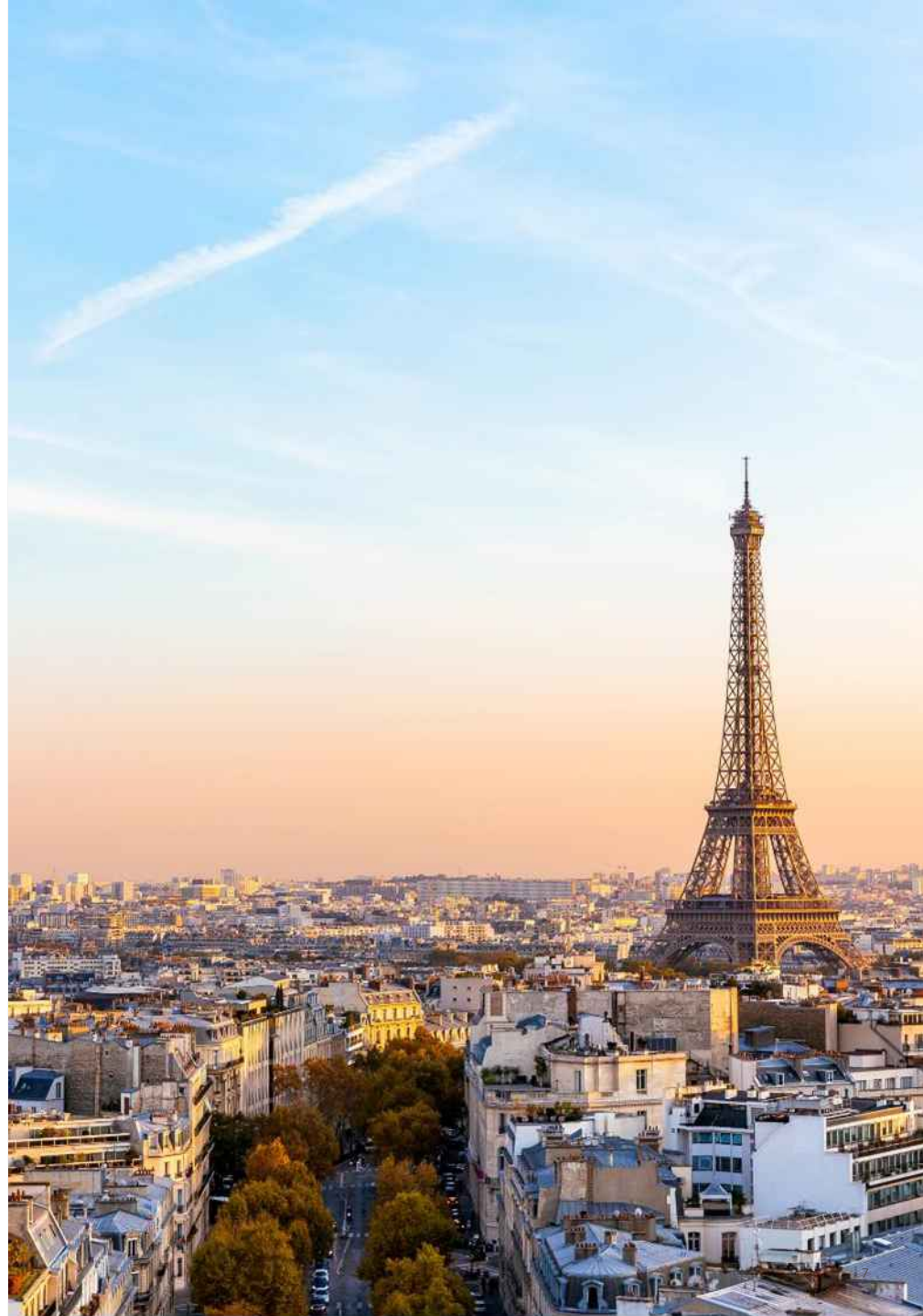
PAIs - Principal adverse impacts

RTS – Regulatory Technical Standards

SFDR - Sustainable Finance Disclosures Regulation

SPOT - Supervision of Operational and Thematic Practices

UCITS - Collective Investment in Transferable Securities



Stay Ahead with Kroll

Enhancing value across a range of expertise

Valuation Advisory

Valuation and consulting for financial reporting, tax, investment and risk management purposes

- Valuation Services
- Alternative Asset Advisory
- Real Estate Advisory
- Tax Services
- Transfer Pricing
- Fixed Asset Advisory Services

Corporate Finance

Objective guidance to management teams and stakeholders throughout restructuring, financing and M&A transactions, including independent fairness and solvency opinions

- M&A Advisory
- Fairness and Solvency Opinions
- Transaction Advisory Services
- ESOP and ERISA Advisory
- Financial Sponsors Group
- Distressed M&A and Special Situations
- Private Capital Markets and Debt Advisory

Governance and Risk Advisory

Risk management and mitigation, disputes and other advisory services

- Forensic Investigations and Intelligence
- **Financial Services Compliance and Regulation**
- Compliance Risk and Diligence
- Expert Services
- Restructuring Advisory
- Information Management and Governance
- Security Risk Management
- Data Insights and Forensics

Business Services

Complex legal and business solutions through our proprietary technology and team of experts

- Prime Clerk
- Class Action Administration
- Mass Tort Administration
- Regulatory and Government Administration
- Notice Media Solutions
- Lucid Issuer Services
- Lucid Agency and Trustee Services
- Corporate Actions
- Business Technology

Cyber Risk

With unrivaled frontline experience from handling 2,700+ incidents every year, we're uniquely positioned to deliver end-to-end cyber risk solutions to support every step of the journey toward cyber resilience:

- Cyber Risk Governance
- System Assessments and Testing
- Incident Response and Litigation Support
- Notification, Call Centers, and Monitoring
- Managed Security Services



Stay Ahead with Kroll

Supporting financial services firms globally to build, manage and protect their businesses

Our FSCR practice was established upon the four pillars below which are highly valued by the industry and continue to guide our approach to all engagements. This powerful combination ensures our clients receive seamless service, relevant cross-jurisdictional advice and insight to enable them to make informed decisions.



We have a multidisciplinary team with a strong **depth of regulatory, technical and industry experience**, drawn from leading financial institutions, regulators, government authorities and professional advisory firms.



Through our **global presence in key financial services markets**, we are **closely connected** with the industry, regulators and trade associations. Clients also benefit from our **'one team'** borderless approach.



We are a **trusted, experienced partner** to all our clients, providing ongoing strategic advice and considering **regulatory obligations, operational excellence and risk and compliance** throughout our client engagements.



Our practice is **focused exclusively on financial services**: we work with a broad range of firms across the industry and provide technical advisory support and expertise across the **full spectrum of financial services regulations across the globe**.



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