

Legal Update 1st Quarter 2025

Banking, Finance and Capital Markets Newsletter
Portugal





1.

Banking and finance law

Bank of Portugal Notice 2/2025 of March 20

Amending Bank of Portugal Notice 3/2020, which regulates the organizational culture and the governance and internal control systems of entities subject to the supervision of the Bank of Portugal and revokes Bank of Portugal Instructions 17/2011 and 28/2007

The Bank of Portugal recently published [Notice 2/2025 of March 20](#) (“**Notice 2/2025**”), which introduced substantial changes to Notice 3/2020 of July 15, 2020, with a direct impact on the organizational structure, risk management, and compliance management of financial institutions. These changes stem from the need to bring the national regulatory framework in line with international best practices, bolstering the transparency and soundness of the financial system.

➤ **Flexible internal organization**

Considering some of the most significant amendments introduced by Notice 2/2025, we can identify a clear evolution toward greater flexibility for supervised entities regarding their internal organization. In fact, several changes of the changes enable institutions to choose the solutions they consider most appropriate (and proportionate) to the specific needs of their operational structure.

These include the following possibilities:

- (i) **dividing risk management functions among various units**
- (ii) **combining risk management and compliance management functions**
- (iii) **outsourcing internal control functions**

The first of these amendments aims to provide greater specialization in risk analysis and mitigation, enabling different areas of the organization to manage specific risks more effectively. Financial institutions can therefore choose to divide the risk management function into different units as long as the independence and autonomy of these units is assured. In the event of such a division, clear coordination mechanisms should be established between the units to ensure an integrated approach to risk management. The institution must demonstrate that this structure ensures effective supervision and does not compromise the necessary segregation between different internal control functions.

The second possibility combines risk management and compliance management functions, provided certain conditions are met and based on a proportionality principle. It follows the guidelines of the European Banking Authority (“EBA”) on internal governance ([EBA/GL/2021/05](#), published in [Bank of Portugal Circular CC/2018/00000016](#), which was already pointing in this direction. For this combination to be valid, the institution



must demonstrate that it has robust processes ensuring the effectiveness of both functions, minimizing the risks associated with potential conflicts of interest. This decision must also be formally justified, subject to the approval of the supervisory body, and reported to the Bank of Portugal at least 60 days in advance. This amendment provides greater flexibility for smaller institutions, without undermining the principles of good risk management and supervision.

Additionally, and for greater flexibility, the [Q&A](#) published by the Bank of Portugal paves the way for the person responsible for the internal control function in one institution to also perform this function in another entity of the same group. However, the issue must be analyzed case by case, depending on the specific circumstances of the supervised entity.

➤ **Multi-annual training plans**

Another development introduced by Notice 2/2025 concerns the obligation for **management and supervisory bodies to approve multi-annual training plans for their members**, aimed at ensuring continuous updating on all the risks to which the institution is exposed. These plans must be reviewed annually. Apart from envisaging the risks already identified in the pursuit of the institution's business, they must also deal with emerging risks in particular.

➤ **Change of reference dates for the annual report**

From a more immediate and practical perspective, financial institutions will have to review their internal calendars to ensure compliance with the new dates established for sending the annual report, ensuring that the reports are submitted to the Bank of Portugal within the established deadlines.

Notice 2/2025 changed the reference and reporting dates for self-assessment reports on the adequacy and efficacy of control and governance systems. Financial institutions must now consider **September 30 of each year as the new reference date for preparing the report**.

Additionally, the deadline for sending the report to the Bank of Portugal has been changed; it must now be submitted by **November 15** of the year to which it refers. This change requires more structured planning by financial institutions, ensuring that internal self-assessment and reporting processes are adjusted to meet the new deadlines.

Finally, although Notice 2/2025 entered into force on March 21, 2025, institutions will have **six months** from the date of entry into force to introduce the necessary changes to adapt to the new obligations (this period being longer in some cases, particularly for institutions that do not have internal control functions established under article 15).

Portuguese law

Law 1/2025 of January, implementing several European regulations on financial services and infrastructure, promoting their full application in Portugal, and amending Decree-Law 80-A/2022 of November 25.



It implements the following regulations in Portuguese law:

- Regulation (EU) 2019/1238 of the European Parliament and of the Council of 20 June 2019 on a Pan-European Personal Pension Product (PEPP) (“PEPP Regulation”);
- Regulation (EU) 2020/1503 of the European Parliament and of the Council of 7 October 2020 on European crowdfunding services providers for business, and amending Regulation (EU) 2017/1129 and Directive (EU) 2019/1937;
- Regulation (EU) 2021/23 of the European Parliament and of the Council of 16 December 2020 on a framework for the recovery and resolution of central counterparties and amending Regulations (EU) 1095/2010, (EU) 648/2012, (EU) 600/2014, (EU) 806/2014 and (EU) 2015/2365 and Directives 2002/47/EC, 2004/25/EC, 2007/36/EC, 2014/59/EU and (EU) 2017/1132;
- Regulation (EU) 2021/557 of the European Parliament and of the Council of 31 March 2021, which amends Regulation (EU) 2017/2402 laying down a general framework for securitization and creating a specific framework for simple, transparent and standardized securitization to help the recovery from the COVID-19 crisis;
- Regulation (EU) 2021/1230 of the European Parliament and of the Council of 14 July 2021 on cross-border payments in the Union.

This law also:

- amends the General Regime on Credit Institutions and Financial Companies (“RGICSF”) approved as an annex to Decree-Law 298/92 of December 31, as amended, and of which it is an integral part;
- amends the Securities Code approved as an annex to Decree-Law 486/99 of November 13, as amended, and of which it is an integral part;
- introduces the third amendment to Decree-Law 105/2004, amended by Decree-Laws 85/2011 of June 29 and 192/2012 of August 23, approving the legal regime on financial collateral agreements and transposing into national law Directive 2002/47/EC of the European Parliament and of the Council of 6 June on financial collateral arrangements;
- introduces the fifth amendment to Decree-Law 40/2014 of March 18, amended by Decree-Law 157/2014 of October 24, Laws 147/2015 of September 9 and 35/2018 of July 20, and Decree-Law 66/2023 of August 8, approving the national measures required to implement, in Portugal, Regulation (EU) 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories;



- introduces the third amendment to Law 102/2015 of August 24, amended by Law 3/2018 of February 9, and Decree-Law 66/2023 of August 8, approving the legal regime on crowdfunding;
- introduces the third amendment to the Legal Regime on Payment Services and Electronic Money (RJSPME), approved as an annex to Decree-Law 91/2018 of November 12, amended by Decree-Law 66/2023 of August 8 and Law 82/2023 of December 29; and
- introduces the third amendment to Decree-Law 80-A/2022 of November 25, amended by Law 24/2023 of May 29, and Decree-Law 91/2023 of October 11, establishing measures aimed at mitigating the effects of the increase in the reference indexes of credit agreements for the purchase or construction of owner-occupied homes.

Decree-Law 14/2025 of March 17, amending the General Regime on Credit Institutions and Financial Companies to ensure the internal implementation of Regulations (EU, Euratom) 2020/2223 and (EU) 2022/2036, reinforcing cooperation with the European Anti-Fraud Office, and transposing Directive (EU) 2024/1174 as regards the minimum requirement for own funds and eligible liabilities.

EU law

Commission Delegated Regulation (EU) 2025/422 of 17 December, published on March 31, supplementing the MiCA in terms of the technical standards that define the content, methodologies and presentation of information on negative impacts on the climate and the environment.

Commission Delegated Regulation (EU) 2025/414 of 18 December, published on March 31, supplementing the MiCA with technical standards that define the information required to evaluate proposals to acquire qualifying holdings in cryptoasset service providers.

Commission Delegated Regulation (EU) 2025/413 of 18 December, published on March 31, supplementing the MiCA with regard to the information necessary to carry out the assessment of a proposed acquisition of a qualifying holding in an issuer of an asset-referenced token.

Commission Delegated Regulation (EU) 2025/305 of 13 October, published on March 31, supplementing the MiCA with regard to regulatory technical standards specifying the information to be included in an application for authorization as a cryptoasset service provider.

Commission Delegated Regulation (EU) 2025/300 of 10 October, published on March 31, supplementing Regulation (EU) 2023/1114 of the European Parliament and of the Council ("MiCA") with regard to regulatory technical standards on information to be exchanged between competent authorities.

Commission Delegated Regulation (EU) 2025/421 of 16 December, published on March 24, supplementing the MiCA in terms of the data necessary for the classification of cryptoasset white papers and ensure that the data is machine-readable.



Commission Delegated Regulation (EU) 2025/303 of 31 October, published on February 20, supplementing the MiCA by specifying the information to be included by certain financial entities in the notification of their intention to provide cryptoasset services.

Commission Delegated Regulation (EU) 2025/19 of 26 September, published on January 15, amending Delegated Regulation (EU) 2019/815 as regards the 2024 update of the taxonomy for the single electronic reporting format.

Commission Implementing Regulation (EU) 2025/306 of 31 October, published on March 31, supplementing the MiCA with regard to standardized forms, templates and procedures for the information to be included in the application for authorization as a cryptoasset service provider.

Commission Delegated Regulation (EU) 2025/417 of 28 November, published on March 14, supplementing Regulation (EU) 2023/1114 of the European Parliament and of the Council with regard to regulatory technical standards specifying the manner in which cryptoasset service providers operating a trading platform for cryptoassets are to present transparency data.

Commission Delegated Regulation (EU) 2025/416 of 29 November, published on March 14, supplementing Regulation (EU) 2023/1114 of the European Parliament and of the Council in terms of the content and format of order book records for cryptoasset trading platforms.

Commission Implementing Regulation (EU) 2025/379 of 26 February, published on March 12, amending the implementing technical standards laid down in Implementing Regulation (EU) 2016/2070 as regards benchmark portfolios, reporting templates and reporting instructions to be applied in the Union for the reporting referred to in article 78.2 of Directive 2013/36/EU of the European Parliament and of the Council.

Bank of Portugal instructions

Instruction 4/2025 of March 20

Amending and republishing Instruction 18/2020, which regulates reporting duties relating to organizational conduct and culture, and governance and internal control systems.

Instruction 3/2025 of March 7

Disclosing, for the second quarter of 2025, the maximum rates to be applied in consumer credit agreements under Decree-Law 133/2009 of June 2.

Instruction 2/2025 of January 30

Amending Instruction 8/2018, which regulates the interbank clearing system or SICOI.



Bank of Portugal circulars

Circular CC/2025/00000003 of January 24

Disseminating the Bank of Portugal's position on the termination of account and card contracts, the account switching service, and the procedures following the death of a joint account holder.

Bank of Portugal notices

Notice 2/2025 of March 20

Amending Bank of Portugal Notice 3/2020, which regulates the organizational culture and governance and internal control systems of entities subject to Bank of Portugal supervision and revoking Bank of Portugal Instructions 17/2011 and 28/2007.

Notice 1/2025 of January 17

Amending Notice 6/2024 on the provision of information to bank customers about the state's personal guarantee regime on granting loans for owner-occupied housing to young people up to the age of 35.

Bank of Portugal press releases

Press release of January 3

Bank of Portugal press release on the application of the European Regulation on the Market in Cryptoassets (MiCA) regarding entities carrying out activities with virtual assets and requests for authorization to carry out activities with virtual assets.

European Banking Authority acts

Guidelines of January 9 on the management of environmental, social and governance risks under articles 87 and 74 of Directive 2013/36/EU.

Joint EBA and ESMA report of January 13 on recent developments in cryptoassets, under article 142 of Regulation (EU) 2023/1114 of the European Parliament and of the Council of 31 May 2023.

EBA opinion of January 21 on the interaction between the output floor and Pillar 2 requirements.

European Central Bank acts

Decision (EU) 2025/451 of the European Central Bank, of February 21, published on March 6, amending Decision (EU) 2024/461 on the reporting by national competent authorities to the European Central Bank of information on remuneration, gender pay gap, approved high ratios and high earners for the purposes of benchmarking.



ECB Decision (EU) 2025/222 of 27 January, published on February 6, on access by non-bank payment service providers to Eurosystem central bank operated payment systems and central bank accounts.

Guideline (EU) 2025/333 of the European Central Bank of January 31, published on February 27, on statistical information to be reported to the ECB by national central banks on household wealth, income and consumption that they have collected on the basis of national legislation.



2.

Insurance and pension funds law

Insurance Recovery and Resolution Directive and Amendment to the Solvency II Directive

Directive (EU) 2025/1 of the European Parliament and of the Council of 27 November 27 2024, published on January 8, establishing a framework for the recovery and resolution of insurance and reinsurance companies and amending Directives 2002/47/EC, 2004/25/EC, 2007/36/EC, 2014/59/EU, and (EU) 2017/1132 and Regulations (EU) 1094/2010, (EU) 648/2012, (EU) 806/2014 and (EU) 2017/1129 (“**IRR**”).

Directive (EU) 2025/2 of the European Parliament and of the Council of 27 November 27 2024, published on January 8, amending Directive 2009/138/EC as regards proportionality, supervision, reporting, long-term guarantees, macro-prudential instruments, sustainability and group and cross-border supervision, as well as Directives 2002/87/EC and 2013/34/EU (“**Amendment to the Solvency II Directive**”).

IRR

The main objective of the IRR is to establish a harmonized regime for the recovery and resolution of insurance and reinsurance companies in the European Union (“EU”), considering the consequences that the insolvency of an insurance or reinsurance company may have on policyholders, the financial system, and the economy of a Member State, as well as the possible need to use public funds to resolve its insolvency.

The IRR distinguishes between the preventive recovery phase and the resolution phase.

For preventive recovery, the IRR stipulates that supervisory authorities must ensure that at least 60% of the Member State’s life insurance and reinsurance market and at least 60% of its non-life insurance and reinsurance market prepare a preventive recovery plan and keep it up to date. The preventive recovery plan must include the measures to be taken by the company concerned to restore its financial situation if this has deteriorated significantly.



The supervisory authorities must ensure that insurance and reinsurance companies update their preventive recovery plans at least every two years and, in any case:

- following a change in the legal or organizational structure of the company, its activities, or its financial situation that may have a significant effect on the preventive recovery plan or require a significant change to it; and
- when it is foreseeable that a significant change in the company's financial situation may have a significant effect on the effectiveness of the plan, or otherwise require a review of the preventive recovery plan.

Preventive recovery plans cannot presuppose access to extraordinary public financial support.

Member States must require insurance and reinsurance companies to ensure that their preventive recovery plans contain qualitative and quantitative indicators that identify when corrective measures must be considered or taken. These indicators may include criteria related to capital, liquidity, asset quality, profitability, market conditions, macroeconomic conditions, and operational events. Indicators relating to the capital position must include, as a minimum, any non-compliance with the solvency capital requirement.

The supervisory authorities have nine months from the submission of each preventive recovery plan to analyze the plan and assess the extent to which it meets the established requirements.

Insurance or reinsurance companies that decide to take a corrective measure contained in their preventive recovery plan or refrain from taking corrective measures must report that decision to the supervisory authority without delay.

Under the IRRD, the main objectives of resolution are (article 18.2):

- to protect the collective interests of policyholders, beneficiaries, and claimants;
- to maintain financial stability, especially as regards contagion, and market discipline;
- to ensure the continuity of critical functions; and
- to protect public finances by limiting the use of extraordinary financial support.

For these purposes, Member States must designate one or, as an exception, several resolution authorities that are empowered to apply resolution tools and exercise resolution powers. Resolution authorities can be:

- national central banks;
- competent ministries;
- public administrative authorities; or
- authorities vested with public administrative powers.

After consulting the supervisory authority, resolution authorities must prepare a resolution plan for each insurance or reinsurance company in respect of which they consider it more likely, in comparison to other companies under its remit, that resolution measures would be in the public interest in the event of the insolvency of the company concerned, or for insurance and reinsurance companies that they consider are performing a critical function. These



assessments must consider, as a minimum, the need to achieve the resolution objectives and the size, business model, risk profile, interconnectedness, substitutability of the company, and, in particular, its crossborder activity. The supervisory authorities must ensure that at least 40% of the Member State's life insurance and reinsurance market and 40% of its non-life insurance and reinsurance market are subject to resolution planning. Member States must ensure that resolution authorities only adopt resolution measures in respect of an insurance or reinsurance company if the following cumulative conditions are met:

- The supervisory authority, after consulting the resolution authority, or the resolution authority, after consulting the supervisory authority, has determined that the insurance or reinsurance company is insolvent or at risk of insolvency.
- There is no reasonable prospect that any alternative private sector or supervisory measures, including preventive and corrective measures, can prevent the company's insolvency within a reasonable period.
- The resolution measures are necessary for public interest reasons.

An insurance or reinsurance company is considered to be insolvent or at risk of insolvency when any of the following circumstances arise:

- The insurance or reinsurance company is or is likely to be in breach of the minimum capital requirement stipulated in Title I, Chapter VI, Section 5 of Directive 2009/138/EC, and there is no reasonable prospect of remedying that breach.
- The insurance or reinsurance company no longer meets the conditions for authorization or is in serious breach of its obligations under the laws and regulations to which it is subject, or there are objective grounds for concluding that, in the near future, the company will be in breach of its obligations to an extent that justifies withdrawing the authorization.
- The insurance or reinsurance company's assets are, or there is objective evidence for concluding that they will soon be, lower than its liabilities.
- The insurance or reinsurance company cannot pay its debts or other liabilities, including payments to policyholders or beneficiaries, on their maturity date, or there is objective evidence for concluding that the company will be in that situation in the near future.
- Extraordinary public financial support is required.

Each Member State must establish funding mechanisms to ensure that the resolution authority has adequate funds through *ex ante* or *ex post* contributions, or a combination of both, from insurance and reinsurance companies authorized in that Member State and from branches in the EU of companies from other countries located in that Member State to at least cover payment of the difference to shareholders, policyholders, beneficiaries, claimants, or other creditors, and which may also be used to cover other costs associated with the use of resolution tools, if funding mechanisms are needed to achieve the resolution objectives.



The deadline for transposing the IRRD is January 29, 2027.

Amendment to the Solvency II Directive

The main aim of this legislation was to amend Directive 2009/138/EC (Solvency II) in several key areas to improve proportionality, supervision, reporting, long-term guarantees, macroprudential instruments, sustainability, and group and crossborder supervision.

We will look at the main changes introduced—organized around the three pillars of insurance law: quantitative requirements, qualitative requirements, and disclosure and transparency.

Pillar I: Quantitative requirements

1. Proportionality:

- Simplification of regulatory requirements for small and medium-sized insurance companies, reducing the administrative burden and relaxing certain capital and governance requirements.

2. Long-term guarantees:

- Adjustments to long-term guarantee mechanisms to ensure the financial stability of insurance companies, including a review of the criteria for assessing long-term liabilities and the introduction of new tools for managing the risks associated with these liabilities.

3. Additional capital requirements:

- Introduction of additional capital requirements for insurance companies that present greater systemic risk, increasing their capacity to absorb losses and reducing the likelihood of insolvency in crisis situations.

Pillar II: Qualitative requirements

1. Supervision and reporting:

- Bolstering the powers of the supervisory authorities to ensure more effective and efficient supervision of insurance companies, including the ability to conduct more frequent and detailed inspections and impose corrective measures when necessary.

2. Macroprudential instruments:

- Implementing new instruments to monitor and mitigate systemic risks in the insurance sector, such as systemic risk indicators, macroprudential stress tests, exposure limits, and dividend and remuneration policies.

3. Sustainability:

- Integrating sustainability considerations and environmental, social and governance (ESG) risks into supervisory and risk management processes, ensuring that insurance companies consider the long-term impacts of their activities and promote sustainable practices.



4. Group and crossborder supervision:

- Bolstering the supervision of insurance groups, especially those operating in multiple Member States, and improving cooperation between supervisory authorities in different countries to ensure more cohesive and effective supervision of crossborder groups.

Pillar III: Disclosure and transparency

1. Improving reporting requirements:

- Increased transparency and efficiency of reporting requirements, ensuring that the information provided by companies is accurate, complete, and useful for supervision.

The amendment to the Solvency II Directive aims to strengthen the resilience of the insurance sector, ensuring greater integration of the internal insurance market and greater consistency and convergence of supervision across the EU.

The deadline for transposing the Amendment to the Solvency II Directive is January 29, 2027.

Portuguese law

Insurance and Pension Funds Supervisory Authority (“ASF”) acts

Regulatory Standard 1/2025-R of January 14

Establishing the quarterly capital update indexes for “Fire and natural elements” policies starting or maturing in the second quarter of 2025.

ASF Circular 2/2025 of March 25

Announcing changes to the “Cyber Incidents” file and reporting instructions.

Circular 1/2025 of February 4

Introducing changes to the file and reporting instructions: PF assets.

Public Consultation 4/2025 of March 11

Draft regulatory standard amending the regulatory standard governing the operational procedures for paying or delivering amounts deriving from fees and contributions levied on insurance, pension funds, insurance or reinsurance brokerage, and entities that hold insurance training courses.

Public Consultation 3/2025 of March 5

Draft regulatory standard amending Regulatory Standard 13/2020-R of December 30 on the regulation of the legal regime on insurance and reinsurance distribution.



Public Consultation 2/2025 of February 4

Draft regulatory standard on the provision of information to the ASF for the purpose of PEPPs.

Public Consultation 1/2025 of January 2

Draft recommendations on differentiating health insurance and health plans.

EU law

Commission Implementing Regulation (EU) 2025/302 of 23 October 2024, published on February 13, laying down implementing technical standards for the application of Regulation (EU) 2022/2554 with regard to the forms and procedures for reporting major ICT-related incidents and notifying significant cyberthreats.

Commission Implementing Regulation (EU) 2025/216 of February 6 2025, laying down technical data for the calculation of technical provisions and basic own funds for reporting with reference dates from 31 December 2024 until 30 March 2025 in accordance with Directive 2009/138/EC.

Commission Delegated Regulation (EU) 2025/301 of 23 October 2024, published on February 20, supplementing Regulation (EU) 2022/2554 with standards on the content and time limits for notifying and reporting major ICT-related incidents and significant cyberthreats.

Commission Delegated Regulation (EU) 2025/295 of 24 October 2024, published on February 13, completing Regulation (EU) 2022/2554 with regard to technical standards on harmonization of conditions for conducting oversight activities.

European Insurance and Occupational Pensions Authority (“EIOPA”) acts

Supervisory statement of February 20 on the deduction of foreseeable dividends from own funds under the Solvency II Directive.

Technical Advice of January 30 on the implementation of the new proportionality framework under the Solvency II Directive.



3.

Securities and capital markets law

Omnibus I and Omnibus II packages



On February 26, the European Commission announced two packages of measures to simplify and harmonize sustainability regulations: the Omnibus I package and the Omnibus II package. The proposed changes aim to harmonize the many European sustainability laws and reduce obligations that could overburden companies (e.g., by reducing the number of affected companies or simplifying reporting templates) and they include:

- ❖ a proposal for a directive amending the Corporate Sustainability Reporting Directive (the “**CSRD**”) and the Corporate Sustainability Due Diligence Directive (the “**CSDDD**”);
- ❖ a proposal delaying the application of the CSRD reporting requirements for companies due to report in 2026 and 2027 and postponing the transposition deadline and first phase of application of the CSDDD for one year, until 2028;
- ❖ a draft delegated act amending the Taxonomy Disclosures Delegated Act and the Taxonomy Climate and Taxonomy Environmental Delegated Acts (“**Taxonomy**”), subject to public consultation;
- ❖ a proposal for a regulation amending the Carbon Border Adjustment Mechanism Regulation; and
- ❖ a proposal for a regulation amending the InvestEU Regulation.

The Omnibus I and II packages will now be appraised by the European Parliament and the Council.

Collective investment undertakings (“UCIs”)

It should be noted that, in the first quarter of 2025, the CMVM published its usual Annual Asset Management Circular (the “**Circular**”), presenting the objectives, status report, and future approach to supervision and regulatory changes for the year 2025, focusing on (i) developing the capital market by promoting and guaranteeing stability and integrity, and (ii) protecting investors and boosting their confidence, and promoting regulatory stability and proportionality.

In this Circular, among other topics, the CMVM states that, regarding **Asset Management for the year 2025**, it intends to conduct **supervisory actions** relating to:

- management company governance requirements, particularly regarding the availability and remuneration of members of the management and supervisory bodies;
- matters relating to the compliance and internal audit function, in conjunction with ESMA;
- alternative risk capital investment undertakings, both in prudential terms, especially as regards compliance with asset eligibility requirements, and in behavioral terms;
- collective investment undertaking depositaries;
- disclosure of UCI profitability and risk measures;
- cybersecurity in the context of the entry into force of the Digital Operational Resilience Act (“**DORA**”);
- prevention of money laundering and terrorist financing (“**AMLTF**”); including as regards the activity of real estate alternative investment undertakings; and
- promoting the quality of the information reported to the CMVM.

As to regulatory changes, the CMVM highlights the following at national level:



- The **DORA Regulation** on the digital operational resilience of the financial sector, applicable in Portuguese law from January 17, 2025. The CMVM's regulation on the reporting duties established in DORA—which will apply to UCITS management companies and large management companies—is being prepared.
- The **MiCA Regulation** on cryptoasset markets, applicable from December 30, 2024, with the CMVM foreseeing the need to specify matters that will come under its supervision.
- **The transposition of AIFMD II/UCITS IV** (Directive (EU) 2024/927 of the European Parliament and of the Council of 13 March 2024, commonly known as AIFMD II/UCITS IV), in particular regarding matters not covered by the asset management regime, such as extending the scope of services that management companies can provide, administering benchmarks, and managing credit.

At an international level, we should highlight the initiatives relating to the retail investment strategy (“Proposal for an omnibus directive amending Directives 2009/65/EC, 2009/138/EC, 2011/61/EU, 2014/65/EU and (EU) 2016/97 as regards the **rules on protecting retail investors** in the EU” and “Proposal for a regulation amending Regulation (EU) 1286/2014 as regards the **modernization of the key information document for investors**”). The aim is to **strengthen product governance rules and investor information duties**. Also it is predicted that large UCITS and AIF management companies will have to implement and review the pricing process on a cyclical basis, identifying and quantifying all costs and charges levied on a product and proposing that they be compared with a benchmark or, in the latest proposal submitted by the Council, with a peer group, as well as the **ESG Ratings Regulation** (Regulation (EU) 2024/3005 of the European Parliament and of the Council of 27 November 2024), applicable from July 2, 2026. This regulation establishes that management companies will be subject to **transparency duties**, especially disclosure duties when they issue an ESG rating, to be incorporated into a product or service of theirs that is disclosed to third parties in commercial communications or in the UCI incorporation instruments, or both. In its **status report** on supervisory activities in 2024, the CMVM emphasizes the importance of **assessing suitability** for the **pursuit of regulated functions**, whether as regards members of corporate bodies, those with qualifying holdings, or those responsible for compliance, and recommends the preparation of **more complete and detailed prior assessment reports**, avoiding gaps in experience and proposing time-scheduled measures for eliminating and mitigating them.

As regards compliance, we emphasize the **CMVM guidelines on the compliance function and the procedures for assessing the suitability of compliance officers** that entered into force on January 1, 2025. These are essential for implementing the applicable regulatory framework and must be followed by market players, namely management companies.

Portuguese law

CMVM circulars

CMVM Circular 004/2025 of February 21

Annual circular to issuers 2025.

CMVM Circular 003/2025 of February 21

Annual asset management circular 2025.



CMVM Circular 003/2025 of February 19

Annual circular on financial intermediation and crowdfunding services 2025.

CMVM Circular 002/2025 of February 19

Annual asset management circular 2025.

CMVM Circular 001/2025 of January 27

Circular on the value for money of financial instruments.

CMVM publications

CMVM has released **navigation guides** for issuers, asset management and financial intermediaries, updated in March.

CMVM has released the Strategic Plan for 2025-2028, dated February 3.

CMVM has released the 2025 Sustainability Guide, updated in January.

EU law

ESMA Supervisory Guide 2/2025 of January 31

On the authorization of cryptoasset service providers under Regulation (EU) 2023/1114 of the European Parliament and of the Council of 31 May 2023 on cryptoasset markets.



4.

What to expect in the next quarter?

Regulatory Standard 2/2025-R of April 8 – Provision of information for the supervision of PEPPS

On April 8, 2025, Regulatory Standard 2/2025-R on the provision of information to the ASF for the purposes of supervising PEPPs was approved under the PEPP Regulation.



ASF approves Recommendation 1/2025 of April 8 – Differentiation of health insurance and health plans”

The Insurance and Pension Funds Supervisory Authority (ASF) approved Recommendation 1/2025 of April 8, concerning practices that the ASF considers appropriate for differentiating health insurance and health plans.

CMVM publishes CMVM Regulation 3 /2025

On April 7, 2025, following Public Consultation 5/2024, the CMVM published **CMVM Regulation 3/2025** on its website. The purpose of this regulation is to review several CMVM regulations for the purpose of adapting them, in terms of **terminology and the reporting of prudential information**, to the **asset management regime**. It also regulates the conditions for investing an amount that exceeds the legally required own funds of UCITS management companies and large management companies.

The regulation is awaiting publication in the Official Gazette of the Portuguese Republic and will enter into force the following day.

CMVM publishes Public Consultation 2/2025

On April 4, 2025, the CMVM published, on its website, **Public Consultation 2/2025** on the Draft Regulation amending CMVM Regulation 2/2020 of March 17 on the **prevention of money laundering and terrorist financing**, essentially aimed at,

- (i) extending the reporting obligation to providers of equity or loan-based crowdfunding services; and
- (ii) detailing the information to be reported about counterparties.

The consultation runs **until May 21, 2025**.

For additional information, please contact Cuatrecasas.



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