Finantsinspektsioon Strategy 2026-2029



Finantsinspektsioon

Foreword by the Management Board

This strategy sets the main priorities for the activities of Finantsinspektsioon in 2026-2029, reflecting the new expectations of financial supervision. The priorities set for the previous strategy horizon of 2022–2025 were improving the digital skills of the organisation, automating supervision, and positioning Finantsinspektsioon within the single European supervision and resolution structures. We have moved forward towards those targets, and we will continue to work on them during the new strategy horizon as well. We have moved forward towards those targets, and we will continue to work on them during the new strategy horizon as well. In the changing environment, we continue to concentrate on the capacity for resilience of significant financial institutions and on protecting the interests of consumers of financial services and investors.

The new strategy will build on what Finantsinspektsioon has already achieved so far, but will redirect the emphasis because of three changes in circumstances in particular.

Tallinn 2026

The geopolitical environment has become a central risk in supervision. The risks to financial stability have become a clear measure of security that cannot be ignored. Crisis readiness is consequently one of the priority targets for Finantsinspektsioon itself and for the financial sector more generally. We are updating our resolution framework, running regular exercises, and working with partner institutions to strengthen our domestic capacity to resolve crises by working through various scenarios.

We believe that better supervision does not mean more regulation, but meaningful dialogue. The regulatory environment in Europe has become more complex and market participants need help in navigating it. That is why we are taking an active role in explaining our expectations in advance by saying what we want to see in supervision and giving constant feedback. We are making administrative procedures faster and clearer. We are involving stakeholders in shaping regulatory choices so that the solutions arrived at would be meaningful and workable. We are actively searching for ways to simplify regulations and supervisory practices. We are convinced that maintaining an open dialogue helps prevent excessive regulation, reduces the costs for market participants, and makes the Estonian financial sector more competitive.

Estonia needs to have a supportive environment where innovative and risk-aware financial institutions can be established, and where it is good for them to operate. The new strategy puts more emphasis than before on the risk-aware use of technology and innovation in the financial sector, and we are striving to achieve that. To this end we are investing in the technological capacity of our own organisation and our staff.

We are not starting from zero though. We will build on the strengths of the previous period and focus on three areas that are demanded by the new reality: security risks, proportional and predictable supervision, and the highly anticipated technological capacity.

The Management Board of Finantsinspektsioon
Kerstin Pilt, Andres Kurgpõld, Andre Nõmm and Gerd Laub

About Finantsinspektsioon

Finantsinspektsioon is an independent financial supervision and resolution authority in Estonia with responsibility for state financial supervision over companies operating with a licence in the Estonian financial market.

- Finantsinspektsioon stands for proper protection of the assets of depositors and investors and the interests of clients of insurers.
- Finantsinspektsioon prioritises the operational continuity of banks critical functions during crises.

At the end of 2025 there were 146 people working at Finantsinspektsioon.

The Estonian financial sector

The assets of the Estonian financial sector are bank-centric. The assets of the banks exceeded 59 billion euros at the end of 2025. Banking is an important sector in terms of systemic risks.

Investment services and payment services are also growing at the same time and new business models are coming to the market that bring new risks, especially to consumer protection and the transparency of the market. It still remains vital though that the management and supervision of pension funds can be fully trusted.

Such an environment requires risk-based, predictable and proportional supervision that focuses on banking and on the new areas of growth.

The Estonian financial sector in numbers as at the end of 2025

The assets on the balance sheet of the financial sector total
75 billion euros
or 180% of GDP



Banking accounts for **79% of the assets** of the financial sector

20%



Estonian capital is **20% of the equity** in the financial sector

Loans of
43 billion euros
issued to clients of the banks

Client deposits of
45 billion euros
at the banks

Investment funds have **9.6 billion euros** under management

of which pension funds account for **8 billion**

Client assets at investment firms of
2.9 billion euros
having grown by **81%** over the year

with **23%** held on behalf of Estonian clients

Client payments of
1.8 billion euros
intermediated by payment institutions, while data from Eesti Pank show

606 billion euros
of payments through credit institutions

Consumer loans of
1.5 billion euros
issued by consumer credit lenders

Premiums of
861 million euros
received by non-life insurers, with 45% of the premiums received from Estonia

Premiums of
369 million euros
received by life insurers, with 15% of the premiums received from Estonia

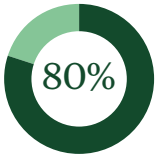
The financial sector is highly digitalised



90% of residents use digital authentication and signatures, which are the digital foundation the whole financial sector



87% of payments within the country are instant payments, illustrating the 24/7 real-time capacity of the modern payment infrastructure



80% of card payments are contactless

Entities supervised by Finantsinspektsioon as at the end of 2025



Vision, mission, values

Vision

People and businesses trust their financial affairs to Estonian market participants and the Estonian market. Estonia has a competitive environment for founding and operating trustworthy financial institutions.

Mission

We stand for trust in the financial sector and support the stable and effective functioning and development of the Estonian economic environment and financial system.

Values

Our core values are trust, openness and efficiency.

Trust

We work to serve the public interest and we operate independently to the benefit of the people, economy and society of Estonia. We are consistent and decisive in our activities. In this way we create trust in ourselves and in the whole financial market. Our expectation of market participants is that financial services and markets will support mutual trust and market participants will take the lead in protecting the confidence and interests of clients and investors.

Openness

Trusting relationships should be built on clear and open communications. We are clear and predictable in our expectations and our activities. Openness promotes law-abiding activity, reduces regulatory costs and so improves the availability of services more broadly and reduces their price. Engagement, care and clarity create trustworthy and durable relationships in our working environment. We expect communication with us to be open as well.

Efficiency

Working in a small market with limited resources means that operations must be smart and carefully considered. Our supervisory choices are risk-based and proportional and our activities are consequently clearly targeted. We are flexible and able to adjust so that we can move together with innovations in technology and business. This needs us to understand the work of our own organisation, maintain the highest standards of behaviour, and develop the skills and knowledge that are needed.

Strategic focus

A. We are an open and decisive supervisor

- **Our supervisory activities are open and predictable and our expectations of market participants are clear**
  - We are independent in our decision-making. We explain requirements and regulations to market participants in a way that is certain and supportive.
  - Our supervisory practices are transparent and guide market participants and promote clarity. We set priorities to achieve this, publish targeted regular supervisory expectations, and give constant feedback.

  - We develop our administrative procedures and processes so we can provide them as a clear, effective and predictable public service. This reduces the time spent on such procedures.
  - We focus public attention on the biggest challenges in the financial sector. We are actively involved in shaping those areas of focus in Estonia that affect the structure and competitiveness of the national financial sector and we present those topics internationally.

- **Finantsinspektsioon carries out risk-based and proportional supervision that does not become too complex**
  - Proportional risk-based assessments and the culture that goes with them are a part of decision making and must consider whether and how decisions can be implemented.
  - Dialogue is what matters. We involve stakeholders from the financial market in shaping regulations and supervisory choices so that we can find a balance and reach reasonable solutions.
  - We are looking now and will continue to look for ways of simplifying the existing regulations and supervisory practices.

B. We believe in a financial sector that is resilient and can stand up to crises

- **Supervision focuses on the areas of highest risk and significant entities, and the financial and organisational resilience of market participants is at a high level**
  - We assess financial strength with ever more thorough risk-based methodologies and we develop models to identify and handle risks and possible breaches of the rules at early stages by using early warning indicators and data-based analysis.

- Our inspections focus on entities that are systemically important and have the highest risks. We run regular analysis and stress tests of the most material financial risks, some in cooperation with the European Central Bank.
- We focus on the governance and risk management systems of supervised entities and on how appropriate their working culture is.
- We strengthen the cyber and operational resilience of the financial sector and promote the effective management of cyber risks. We focus on the risks arising from outsourcing critical IT services. We conduct supervisory activities, penetration tests and exercises.
- We assess risk profiles as a basis for the additional capital requirements to make sure that supervised entities are sufficiently capitalized.

Finantsinspektsioon and the financial sector are crisis-ready

- In cooperation with the Single Resolution Board (SRB), we simplify resolution plans and ensure their practical implementability in order to strengthen the resilience of credit institutions to financial crises and to safeguard financial stability and depositor confidence.
- We organise crisis exercises and simulations and we test the framework of cooperation for resolving financial crises by working with partner institutions in Europe, the Nordic and Baltic states, and Estonia.
- We establish and implement a financial crisis resolution framework and function for the insurance sector.
- Together with Eesti Pank, we strengthen the capacity to carry out effective supervision of institutions providing vital payment and cash services, with the aim of ensuring the continuity of these services under various crisis scenarios, including possible national security crises. We actively participate in relevant national and regional crisis exercises and test our own crisis management frameworks and capabilities.

- We keep our crisis management plans up to date and strengthen internal crisis awareness to ensure fast and uninterrupted decision making under any crisis scenario.

C. We safeguard fair financial services and the market

Care and expertise must be demonstrated when financial services are provided. Financial services and products are sold fairly with consideration of the circumstances of the customer

- Our inspections focus on making sure that the service provider considers whether the content of their products and services is appropriate for the circumstances, interests and needs of the customer. Clients and investors must be given accurate and balanced information, which means that services may not have hidden or unknown features that could unexpectedly put the client in a difficult position.
- We guide the supervised entities so that the involvement of third parties in providing services through outsourcing does not harm the quality of the service.
- We stand for responsible lending to consumers.
- We work constantly to promote public understanding of financial services and products and the risks of the financial market.

The financial sector may not be abused for criminal goals

- We are engaged in preparing the work processes of the Anti-Money Laundering Authority (AMLA). We will bring our supervisory practices and organisational capacity into line with the expectations of AMLA.

- We strive to prevent the financial sector from being abused for money-laundering, breaches of financial sanctions, or other criminal goals. We inspect whether the systems that counter money-laundering and terrorist financing and ensure compliance with financial sanctions, including new technology-based business models, function efficiently and in a risk-based manner.
- We explain our expectations to market participants about management of risks relating to financial fraud and we supervise those expectations.
- We work with our partner institutions to stop criminal activity more effectively.

D. We support the risk-aware use of technology

- **Finantsinspektsioon supports innovation and the risk-aware use of new technology**
  - We work to provide supportive supervision in Estonia for those who want to establish innovative and risk-aware financial institutions.
  - We support responsible innovation, explaining our supervisory expectations for new business models, technologies and solutions and allowing early adoption.

- **Our technological capacity is at a high level**
  - We develop automated and data-based supervision. We assess the best technological solutions from our European cooperation partners and we apply them.
  - We design digital services aimed at market participants to make communication and data exchange with Finantsinspektsioon as simple as possible.

  - We develop the supervisory skills needed for understanding and assessing new technologies, including artificial intelligence, so that we can support the reasonable adoption of the opportunities they bring.

- **The digital skills of Finantsinspektsioon are strong**
  - We strengthen our own operational resilience to cope with cyber incidents.
  - We improve our supervisory capacity to assess digital and technological risks.

E. We are an open organisation and we represent Estonia

- **Our organisational culture is open and inclusive and supports development**
  - We are developing a management culture that supports trust and responsibility at all levels of the organisation.
  - We have a culture of open and honest communication where information moves transparently, the working environment is inclusive, alternative viewpoints are valued and listened to, and staff are able to take part in decision-making processes.
  - We believe in constant development for our employees and offer them opportunities for self-development. We are strengthening our internal cooperation to achieve this.

- **Estonia is actively represented within the European Union financial supervisory framework**
  - We contribute to the supervisory convergence in the European Union and promote well-functioning financial sector and markets in Europe and Estonia.

- We take an active part in the work of the joint supervisory and resolution teams of the European Union.
- We make sure that the EU-wide supervisory frameworks and methodologies are applied smoothly, proportionally and in good time in Estonia.
- We strengthen the regional cooperation with partner supervisory institutions that takes account of the structure of the Estonian financial sector to ensure efficient supervision, financial stability and resilience of the financial sector.