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# UPDATE ON EBA EQUIVALENCE MONITORING

DECEMBER 2025

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# EBA equivalence monitoring update

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The EBA is mandated to assist the EC in preparing equivalence decisions and to monitor existing equivalence decisions in non-EU jurisdictions by looking at regulatory and supervisory developments and their impact for financial stability, market integrity, investor protection and the functioning of the internal market.<sup>1</sup>

As part of its monitoring role, the EBA oversees relevant regulatory and supervisory developments, enforcement practices and market trends in non-EU jurisdictions that benefit from regulatory equivalence. The findings of the EBA monitoring activities of equivalent jurisdictions are summarised in a confidential report to the European Parliament, the Council, the European Commission (EC) and the other European Supervisory Authorities (ESAs).

## 1. EC equivalence decisions

Following the assessments to date, the EC concluded that 26 non-EU jurisdictions have in place supervisory and regulatory arrangements for banks which are equivalent to the ones in the EU.

The first list of equivalent non-EU jurisdictions in banking was published in 2014<sup>2</sup> (Australia, Brazil, Canada, China, Guernsey, Hong Kong, India, Isle of Man, Japan, Jersey, Mexico, Monaco, Saudi Arabia, Singapore, South Africa, Switzerland and the USA) and subsequently expanded in 2016<sup>3</sup> (Faroe Islands, Greenland, New Zealand and Türkiye), in 2019<sup>4</sup> (Argentina, Serbia and South Korea) and in 2021<sup>5</sup> (Bosnia and Herzegovina, Republic of North Macedonia). As stated before, it is important to point out that these decisions are ultimately published on EC website.

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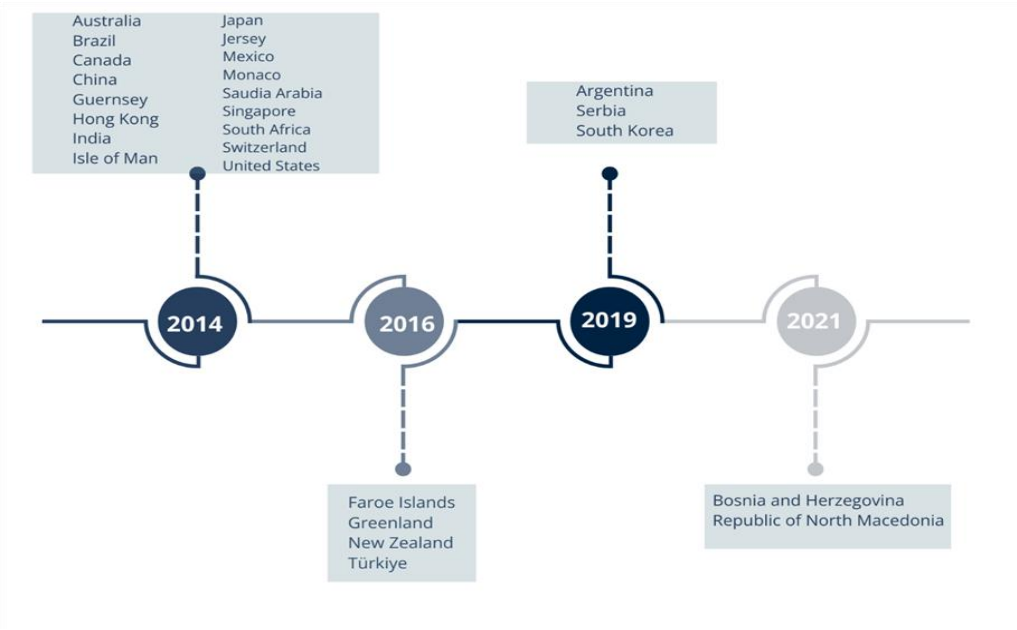
<sup>1</sup> Article 33, European Commission, "Regulation (EU) No 1093/2010 Establishing a European Supervisory Authority (European Banking Authority)," OJ, L 331/12, 15 December 2010. Available [here](#)

<sup>2</sup> European Commission, "Commission Implementing Decision on the Assessment of Third Countries' Anti-Money Laundering and Combating the Financing of Terrorism Regimes," 2014/908/EU, OJ, L 359/155, 12 December 2014. Available [here](#)

<sup>3</sup> European Commission, "Implementing on the equivalence of the supervisory and regulatory requirements of the United States of America for the purposes of the treatment of exposures to Central Counterparties authorised in the United States under Regulation (EU) No 575/2013," 2016/2358/EU, OJ, L 352/14, 14 December 2016. Available [here](#)

<sup>4</sup> European Commission, "Implementing Decision (EU) 2019/2166 amending Implementing Decision 2014/908/EU as regards the inclusion of Serbia and South Korea in the lists of third countries and territories whose supervisory and regulatory requirements are considered equivalent for the purposes of the treatment of exposures in accordance with Regulation (EU) No 575/2013," 2019/2166/EU, OJ, L 328/84, 18 December 2019. Available [here](#)

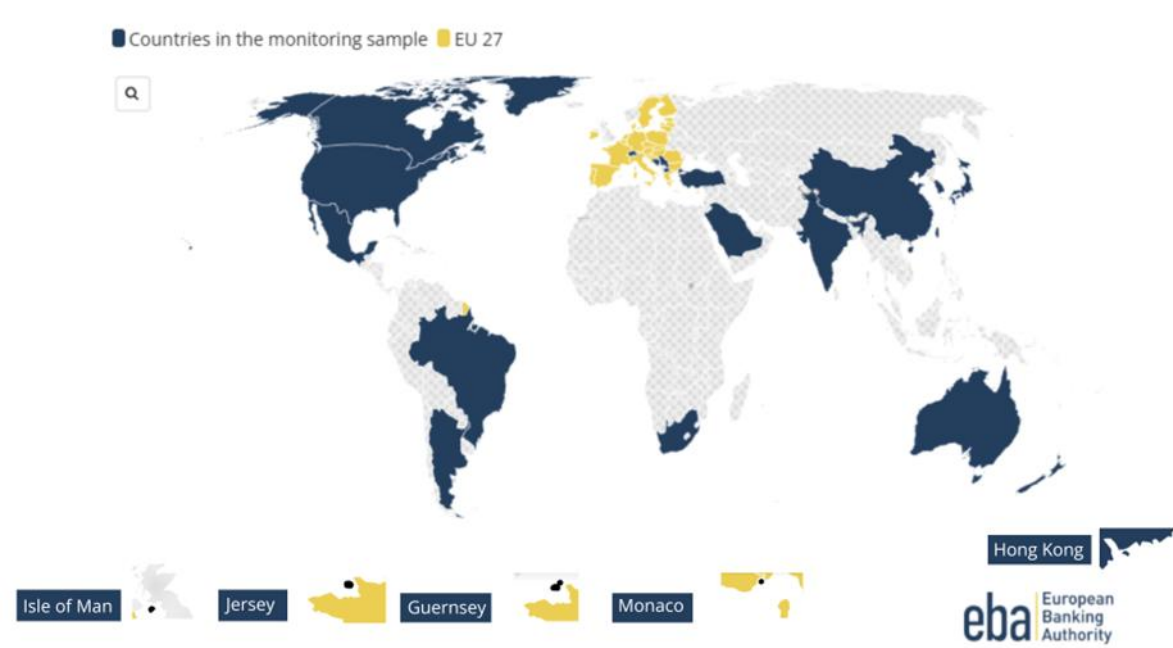
<sup>5</sup> European Commission, "Implementing Decision on the equivalence of the supervisory and regulatory requirements of certain third countries and territories for the purposes of the treatment of exposures in accordance with Regulation (EU) No 575/2013," 2021/1753/EU, OJ, L 349/31, 4 October 2021. Available [here](#)



Graph 1: Overview CRR EU equivalence decisions

The EC’s equivalence decision states that this list is neither exhaustive, nor definitive. The EC, with the assistance of the EBA, is mandated to monitor on a continuous basis the evolution of supervisory and regulatory arrangements with a view to updating, as appropriate, and at least every five years, the third countries and territories on this list. For that purpose, the EC and the EBA should consider supervisory and regulatory arrangements in the Union and at global level.

The 26 non-EU jurisdictions of the EBA monitoring sample are displayed on the world map below.



Graph 2: Geographical overview CRR EU equivalence decisions

## 2. EBA approach to equivalence monitoring

Since receiving this mandate, the EBA has performed a first round of targeted equivalence monitoring in 2021, focusing on a limited set of jurisdictions. Three guiding principles underpinned the current EBA monitoring exercise. First, this edition aims to capture all 26 jurisdictions that have been deemed equivalent to provide a comprehensive review.

Second, the assessment adopted a more high-level approach. All of the monitored jurisdictions received a dedicated questionnaire, which pertains to the main elements of their prudential and supervisory framework. The EBA questionnaire is designed to ascertain whether the conditions for the EC equivalence decision are still fulfilled. Non-EU jurisdictions were asked to report on any material changes to their regulatory and supervisory framework since being granted equivalence.

Based on these replies, the EBA report looks at the degree of implementation of the international regulatory and supervisory framework (primarily Basel III standards) and whether the way of implementation leads to similar outcomes as the EU framework, notably ensuring:

- The stability and integrity of the domestic financial system;
- Cooperation between different actors of the financial system, including regulators and supervisors;
- Effective regulatory framework;
- Proper implementation and enforcement of relevant internationally agreed standards as transposed in the EU legislation.

Third, this monitoring exercise is set to foster interactions with non-EU jurisdictions. It puts forward findings for each jurisdiction that serve as points of interest, points for engagement or for future monitoring rounds, if so decided, by EU institutions.

## 3. EBA equivalence monitoring report

In 2024 and 2025, the EBA reached out to all 26 non-EU jurisdictions with the objective of identifying the relevant changes to their regulatory and supervisory framework since the initial assessment. Based on the feedback to the equivalence monitoring questionnaire, the confidential report contains two sections.

The first section of the report lays out a comparative overview on selected thematic findings. These focus on the application of proportionality for prudential standards, the implementation of the updated Basel III framework and buffer requirements, and whether the way of implementation leads to similar outcomes as the EU framework.

The second section of the report provides a more detailed analysis of non-EU jurisdictions that responded to the questionnaire. The review captures developments of the banking sector, the institutional set-up of regulation and supervision and the implementation of most recent prudential requirements. The findings, practices and main takeaways within each jurisdictional analysis address points for potential follow-up engagements with non-EU authorities, be it due to major regulatory or supervisory gaps or due to topical interest on EU side.

The report was shared confidentially with the European Parliament, the Council, the EC and the other ESAs. Any need for follow-up engagement may be discussed with the EC and co-legislators.

## 4. Follow-up to EBA equivalence monitoring

Given the large number of jurisdictions in scope and the substantial amount of time passed since the adoption of the equivalence decisions, this report is subject to a set of parameters and limitations:

- There is a cut-off dates for the input into the report. Regulatory and supervisory changes after this date are not considered in this report. Future regulation is only considered if there are official announcements or if there are any proposals which have been adopted but not yet entered into force.
- The assessment draws mainly on the self-assessment provided by the non-EU jurisdictions. This self-assessment was complemented by data gathered through desk-based research, relying on reputable publicly available sources, and EBA reporting data.
- No independent verification of the supervisory framework has been carried out by the EBA. As such, the EBA did not have the possibility to examine the actual enforcement of supervision in the non-EU jurisdictions with an on-site visit.
- In keeping with the scope of the exercise stemming from the CRR, aspects relating to AML/CFT and resolution were not expressly covered by this monitoring questionnaire. However, the country's grey listing by the FATF or EU is reflected in the report, where relevant.

The follow-up to this report may depend on the number of (material) findings and main takeaways. Any recommendation on follow-up actions may distinguish between non-EU jurisdictions with:

- no findings, meaning that no follow-ups are deemed necessary besides periodic monitoring;
- findings as main takeaways and practices, which may warrant a follow-up engagement and continued monitoring. These findings may either relate to elements questioning the equivalence decision or any other material finding of interest to the EU.

While undertaking the follow-up to the monitoring report, the EBA will continue to cooperate closely with the EC as well as non-EU jurisdictions.



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