

COMMISSION IMPLEMENTING DECISION (EU) 2016/230**of 17 February 2016****amending Implementing Decision 2014/908/EU as regards the lists of third countries and territories whose supervisory and regulatory requirements are considered equivalent for the purposes of the treatment of exposures according to Regulation (EU) No 575/2013 of the European Parliament and of the Council****(Text with EEA relevance)**

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 ⁽¹⁾, and in particular Articles 107(4) and 142(2) thereof,

Whereas:

- (1) Commission Implementing Decision 2014/908/EU ⁽²⁾ lays down lists of third countries and territories whose supervisory and regulatory arrangements are found equivalent to the corresponding supervisory and regulatory arrangements applied in the Union in accordance with Regulation (EU) No 575/2013.
- (2) The Commission has conducted further assessments of the supervisory and regulatory arrangements applicable to investment firms and exchanges using the same methodology as for the equivalence assessments that led to the adoption of Implementing Decision 2014/908/EU.
- (3) In its assessments, the Commission has considered relevant developments in the supervisory and regulatory framework since the adoption of Implementing Decision 2014/908/EU and took into account available sources of information, including independent assessments carried out by international organisations, such as the International Monetary Fund and the International Organization of Securities Commissions.
- (4) The Commission has concluded that in Japan only the supervisory and regulatory arrangements applied to a subset of the Japanese investment firms comply with a series of operational, organisational and supervisory standards reflecting the essential elements of the Union's supervisory and regulatory arrangements applicable to investment firms. That subset of Japanese investment firms, as defined in Article 28 of the Financial Instrument and Exchange Act of Japan, engages in defined business and is referred to in Japan's legal framework as Type I Financial Instruments Business Operators (Type I FIBOs). Type I FIBOs are subject to specific rules related to registration capital requirements, as well as to ongoing risk-based capital requirements. Based on the analysis carried out, it is appropriate to consider the supervisory and regulatory requirements applied to Type I FIBOs located in Japan as at least equivalent to those applied in the Union for the purposes of Article 107(4) and Article 142(1)(4)(b) of Regulation (EU) No 575/2013.
- (5) The Commission has concluded that Hong Kong, Indonesia and South Korea have in place supervisory and regulatory arrangements which comply with a series of operational, organisational and supervisory standards reflecting the essential elements of the Union's supervisory and regulatory arrangements applicable to investment firms. Therefore, it is appropriate to consider the supervisory and regulatory requirements applied to investment firms located in those third countries and territories as at least equivalent to those applied in the Union for the purposes of Article 107(4) and Article 142(1)(4)(b) of Regulation (EU) No 575/2013.

⁽¹⁾ OJ L 176, 27.6.2013, p. 1.

⁽²⁾ Commission Implementing Decision 2014/908/EU of 12 December 2014 on the equivalence of the supervisory and regulatory requirements of certain third countries and territories for the purposes of the treatment of exposures according to Regulation (EU) No 575/2013 of the European Parliament and of the Council (OJ L 359, 16.12.2014, p. 155).

- (6) The Commission has concluded that Australia, Indonesia and South Korea have in place supervisory and regulatory arrangements which comply with a series of operational standards reflecting the essential elements of the Union's supervisory and regulatory arrangements applicable to exchanges. Therefore, it is appropriate to consider the supervisory and regulatory arrangements applied to exchanges located in those third countries as at least equivalent to those applied in the Union for the purposes of Article 107(4) of Regulation (EU) No 575/2013.
- (7) Implementing Decision 2014/908/EU should therefore be amended to include those third countries and territories in the appropriate list of third countries and territories whose supervisory and regulatory requirements are considered equivalent to the Union's regime for the purposes of the treatment of exposures according to Regulation (EU) No 575/2013.
- (8) The measures provided for in this Decision are in accordance with the opinion of the European Banking Committee,

HAS ADOPTED THIS DECISION:

Article 1

Implementing Decision 2014/908/EU is amended as follows:

- (1) Annex II is replaced by the text set out in Annex I to this Decision;
- (2) Annex III is replaced by the text set out in Annex II to this Decision;
- (3) Annex V is replaced by the text set out in Annex III to this Decision.

Article 2

This Decision shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

Done at Brussels, 17 February 2016.

For the Commission
The President
Jean-Claude JUNCKER

ANNEX I

ANNEX II

LIST OF THIRD COUNTRIES AND TERRITORIES FOR THE PURPOSES OF ARTICLE 2 (INVESTMENT FIRMS)

- (1) Australia
 - (2) Brazil
 - (3) Canada
 - (4) China
 - (5) Hong Kong
 - (6) Indonesia
 - (7) Japan (limited to Type I Financial Instruments Business Operators)
 - (8) Mexico
 - (9) South Korea
 - (10) Saudi Arabia
 - (11) Singapore
 - (12) South Africa
 - (13) USA
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ANNEX II

ANNEX III

LIST OF THIRD COUNTRIES FOR THE PURPOSES OF ARTICLE 3 (EXCHANGES)

- (1) Australia
 - (2) Brazil
 - (3) Canada
 - (4) China
 - (5) India
 - (6) Indonesia
 - (7) Japan
 - (8) Mexico
 - (9) South Korea
 - (10) Saudi Arabia
 - (11) Singapore
 - (12) South Africa
 - (13) USA
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ANNEX III

ANNEX V

LIST OF THIRD COUNTRIES AND TERRITORIES FOR THE PURPOSES OF ARTICLE 5 (CREDIT INSTITUTIONS AND INVESTMENT FIRMS)

Credit institutions:

- (1) Australia
- (2) Brazil
- (3) Canada
- (4) China
- (5) Guernsey
- (6) Hong Kong
- (7) India
- (8) Isle of Man
- (9) Japan
- (10) Jersey
- (11) Mexico
- (12) Monaco
- (13) Saudi Arabia
- (14) Singapore
- (15) South Africa
- (16) Switzerland
- (17) USA

Investment firms:

- (1) Australia
 - (2) Brazil
 - (3) Canada
 - (4) China
 - (5) Hong Kong
 - (6) Indonesia
 - (7) Japan (limited to Type I Financial Instruments Business Operators)
 - (8) Mexico
 - (9) South Korea
 - (10) Saudi Arabia
 - (11) Singapore
 - (12) South Africa
 - (13) USA
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