EU RegCORE Client Alert

Financial Services

June 2026

Bridging the Atlantic on Stablecoins: The EBA–NYDFS Supervisory Cooperation MoU and Its Implications for Regulated Firms

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QuickTake

On 2 June 2026, the European Banking Authority (**EBA**) publicly announced[1] the signing of a Memorandum of Understanding (**MoU**)[2] with the New York State Department of Financial Services (**NYDFS**) on cooperation, exchange of information and coordination in respect of stablecoin activities. The MoU was executed by the NYDFS on 27 April 2026 and by the EBA on 13 May 2026 — the latter being the date on which the MoU entered into force — with the EBA's Chair, François-Louis Michaud, and the NYDFS's Acting Superintendent, Kaitlin Asrow, as respective signatories.

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[1] See here.
[2] See here.

Commenting on the MoU, EBA Chair François-Louis Michaud stated: "*This agreement marks an important milestone in strengthening transatlantic cooperation on stablecoin supervision and ensuring that cross-border activities are conducted to the highest standards. It reflects our commitment to building a strong, effective, and globally coordinated supervisory framework for crypto-assets*." Acting Superintendent Kaitlin Asrow added: "*Effective financial regulation has always depended on strong relationships between regulators, and that principle holds firm in the digital asset space. This MoU reflects the Department's deep commitment to cross-border supervision and collaboration in order to protect consumers, regulated entities, and markets.*" The MoU is concluded under Article 126 of the Markets in Crypto-Assets Regulation (**MiCAR**), which empowers the EBA to conclude administrative agreements on the exchange of information with third-country supervisory authorities in order to discharge its supervisory responsibilities under Article 117 of MiCAR over issuers of significant asset-referenced tokens (**ARTs**) and significant electronic money tokens (**EMTs**). The conclusion of the MoU follows the EBA's assessment that the NYDFS's confidentiality and professional secrecy regimes are equivalent to those set out in MiCAR.

This Client Alert analyses the MoU's key provisions and implications for regulated firms operating across the EU and New York, with particular focus on the practical consequences for issuers of significant stablecoins, crypto-asset service providers (**CASPs**) and other entities engaged in stablecoin-related activities.

The key elements of the EBA-NYDFS MOU are as follows:

- **What.** The EBA and the NYDFS have concluded a formal MoU establishing a structured framework for supervisory cooperation, information exchange and coordination — including in emergency situations — in respect of entities and persons engaged in stablecoin activities that may affect stablecoin holders, market participants, or the broader financial markets in either or both jurisdictions. The MoU provides for both ad hoc and recurrent (quarterly) information exchanges, cross-border on-site inspections and investigations, infringement notifications and emergency cooperation. An extensive onward sharing framework permits the transmission of confidential information to designated national competent authorities (**NCAs**) across the European Economic Area (**EEA**) and to key US federal banking regulators.
- **When.** The MoU was signed by the NYDFS on 27 April 2026 and by the EBA on 13 May 2026, entering into effect on the latter date as the latest of the two signature dates, and was publicly announced on 2 June 2026. It operates for an unlimited period and may be terminated by either authority on 30 calendar days' written notice. Confidentiality obligations survive termination. The authorities intend to periodically review the MoU's functioning and effectiveness, including in the event of changes to regulatory status or supervisory scope.
- **Who.** The MoU applies to "supervised entities or persons," which is defined broadly to cover (i) issuers of stablecoins or other entities or persons engaged in stablecoin-related activities within the supervisory remit of both the EBA and the NYDFS, and (ii) issuers or other entities engaged in stablecoin-related activities within the remit of only one authority, provided that the relevant stablecoins are simultaneously issued in both jurisdictions. This dual-limb definition captures not only stablecoin issuers but also custodians, trading platforms, wallet providers and other market participants engaged in stablecoin-related activities subject to oversight by either or both authorities.

Key takeaways

The following sections set out the legal framework, scope of cooperation, information exchange mechanisms, enforcement and inspection provisions, confidentiality regime and practical steps that affected firms must address. This Client Alert should be read alongside our earlier Client Alert, *An EU View on the SEC–CFTC Joint Interpretive Release and MOU on Crypto-Assets* (March 2026),[3] which analyses the SEC–CFTC joint interpretive release and inter-agency MOU, the emerging U.S. crypto-asset taxonomy, and the comparative regulatory divergences between the U.S. framework and MiCAR — divergences that the EBA–NYDFS MoU now seeks to bridge through structured transatlantic supervisory cooperation.

The Legal Framework: Scope and Legal Nature

Stablecoin-Specific — But Broadly Defined

The MoU is deliberately narrow in subject-matter scope: it relates only to stablecoin-related activities of supervised entities or persons and not to other activities those entities may undertake. A "stablecoin" is defined as a type of crypto-asset that purports to maintain a stable value by referencing the value of one official currency, or by referencing another value or right or a combination thereof, including one or more official currencies. This definition encompasses both ARTs and EMTs as classified under MiCAR.

However, the definition of "supervised entity or person" is materially broader than the stablecoin issuer alone. It extends to any entity or person engaged in stablecoin-related activities within the supervisory remit of both authorities, or within the remit of either authority where the stablecoins in question are simultaneously issued in both jurisdictions. This means that firms which are not themselves stablecoin issuers — such as CASPs providing custody, trading or exchange services in respect of stablecoins — may fall within scope if they are subject to oversight by the EBA or an EU NCA and by the NYDFS.

Statement of Intent — Not a Binding Agreement

The MoU is a statement of intent to consult, exchange information and cooperate. It does not constitute a legally binding or enforceable agreement and does not create rights or obligations for either authority or for third parties. It does not modify or supersede applicable laws or regulations, affect other MoU arrangements, or represent a waiver of jurisdictional immunity. Notwithstanding its non-binding character, the MoU establishes a structured and institutionalised channel for supervisory cooperation that firms should treat as a material feature of their regulatory landscape. As with comparable MoUs concluded in the banking and securities context, the practical significance of the instrument for regulated firms is considerable — regardless of its formal legal status.

The Information Exchange Framework

Ad Hoc and Own-Initiative Exchanges

Each authority will endeavour to provide the other, on a timely basis upon request or on its own initiative, with any information necessary for supervisory tasks. The catalogue of exchangeable information is comprehensive: authorisation modifications and refusals; stablecoin issuance volumes, circulation and

[3] Available here.

holder numbers (custodial and unhosted); fitness and propriety assessments of management bodies, shareholders and prospective acquirers of qualifying holdings; risk analyses, compliance assessments, reserve composition, own funds, liquidity, stress testing, intra-group and outsourcing arrangements, ICT systems and conduct matters; impediments to reserve rebalancing (including under stress); audit results; regulatory standing of products and services; business model modifications and planned expansion; suspicion of irregularities or infringements; supervisory sanctions; civil or criminal investigations; and discontinuation of business activities, including recovery, redemption or resolution plans.

Recurrent Quarterly Exchanges — A Step Change in Transparency

Certain categories are deemed necessary for recurrent quarterly exchange without prior request: reserve asset value, composition and maturities; entities receiving reserve assets; financial instruments in which reserves are invested and their issuers; holders of qualifying holdings; group structures; and stablecoin trading volumes on crypto-asset platforms in each jurisdiction. This represents a step change in supervisory transparency — firms should expect granular, counterparty- and instrument-level reserve data to flow routinely between the EBA and NYDFS. Consistency between information reported to each authority is essential. Exchanges are conducted in writing via secure electronic channels (oral exchanges permitted in urgent circumstances, subject to written confirmation within ten working days), and requests must specify the information sought, underlying facts, purpose, legal basis, desired timeframe and any likely onward disclosure.

Cross-Border On-Site Inspections and Investigations

The MoU establishes a detailed procedural framework for cross-border on-site inspections and general investigations. Either authority may participate upon request or invitation in inspections conducted by the other authority at the business premises of supervised entities located in the other's jurisdiction. Either authority may also request the assistance of the other in conducting inspections at supervised entities' business premises located in the other's jurisdiction.

The key procedural features are as follows. The requesting or invited authority must be subject to the professional secrecy requirements of the requesting authority. A minimum of 45 calendar days' advance notification is required, unless emergency or crisis circumstances make this impracticable. The other authority must respond within 30 days; failure to respond is deemed consent to the inspection. In emergencies, the response window is compressed to three working days. On conclusion, findings must be shared with the other authority within a reasonable timeframe.

The deemed-consent mechanism is notable: firms should be aware that objections to cross-border inspections must be raised proactively and promptly. EU-regulated stablecoin issuers and CASPs with operations or business premises in New York should prepare for the possibility that NYDFS officials may participate in EBA-led on-site inspections, and vice versa. Internal protocols for regulatory inspections should be reviewed and staff trained accordingly.

Infringement Notification and Enforcement Cooperation

Where a supervised entity is deemed to have materially infringed applicable requirements and this may affect stablecoin holders, market participants, or the broader financial markets in the other jurisdiction, the authorities will notify each other as soon as clear and demonstrable grounds exist. A "material infringement" is one that has led or is likely to lead to an administrative fine or criminal penalty, suspension or exclusion of management body members, or suspension or withdrawal of authorisation.

Notifications must specify the nature of the alleged infringement; whether an infringement procedure will be initiated; the right to be heard and any period granted; prior corrective measures; and remedial plans. If the communicating authority subsequently imposes sanctions, adopts enforcement or supervisory measures, or becomes aware of the activation of a recovery, redemption or resolution plan, it must share that plan with or inform the other authority as soon as practicable.

This creates a form of supervisory "early warning system." Material enforcement actions or findings in one jurisdiction will be promptly communicated to the other. Firms should assess the cross-border implications of any enforcement engagement, remediation exercise or recovery planning and ensure that their legal and compliance teams coordinate across jurisdictions. As noted in our Client Alert, *An EU View on the SEC–CFTC Joint Interpretive Release and MOU on Crypto-Assets*, the SEC–CFTC MOU's detailed provisions on data sharing and coordinated examinations are confined to inter-agency U.S. cooperation and "do not establish any framework for cooperation with EU authorities," with the result that "EU–U.S. supervisory cooperation in the crypto space will depend on separate bilateral MOUs between ESMA/NCAs and the SEC/CFTC." The EBA–NYDFS MoU is precisely such a bilateral instrument — filling the transatlantic supervisory cooperation gap identified in that earlier analysis and extending the reach of supervisory cooperation beyond the EU's internal NCA coordination framework to include a major third-country prudential supervisor.

Emergency Cooperation

In case of an emergency situation — including serious operational or financial difficulties of supervised entities or a major ICT-related security incident with potential adverse cross-border impact — the authorities will endeavour to inform each other promptly and seek coordinated responses. The inclusion of ICT-related security incidents aligns with the broader EU regulatory trend towards operational resilience under the Digital Operational Resilience Act (**DORA**), as well as the NYDFS's own cybersecurity regulation framework. Firms should ensure that their incident reporting protocols contemplate cross-border supervisory notification, including the possibility that reported incidents may be shared with the counterpart authority on an expedited basis.

Confidentiality and the “Onward Sharing Framework”

The Core Regime

All information exchanged under the MoU must be used exclusively for supervisory purposes and treated as confidential. Disclosure to third parties generally requires prior written express agreement from the Providing Authority, which will not be unreasonably withheld. In emergency situations, express agreement may be given orally provided it is confirmed in writing within one week. Where disclosure is compelled by statute or legal process, the Receiving Authority must inform the Providing Authority and, if consent is not forthcoming, take all available steps to resist disclosure.

The Onward Sharing Authorities — Breadth and Reach

The MoU permits onward sharing to designated "Onward Sharing Authorities" subject to conditions. For the NYDFS, the designated Onward Sharing Authorities are the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency (OCC) and the Federal Deposit Insurance Corporation (FDIC). The NYDFS may add authorities to this list subject to the EBA's equivalence assessment.

For the EBA, the list is considerably more extensive. It encompasses national competent authorities across all 27 EU Member States plus Iceland, Liechtenstein and Norway, spanning MiCAR authorities, electronic money directive authorities, prudential supervisory authorities, resolution authorities, deposit guarantee schemes and AML/CFT authorities. In addition, the European Central Bank (as part of the SSM), the Authority for Anti-Money Laundering and Countering the Financing of Terrorism (**AMLA**), EIOPA, ESMA and the Single Resolution Board (SRB) are all listed as Onward Sharing Authorities.

Onward sharing is subject to strict conditions: it must be necessary for the performance of the authority's lawful supervisory, recovery, resolution or deposit guarantee tasks; the receiving authority must be bound by professional secrecy requirements at least equivalent to those of the Providing Authority; and further onward disclosure is prohibited except to other listed Onward Sharing Authorities, subject to notification.

The breadth of this framework is striking. Information shared by the NYDFS with the EBA could ultimately reach any of the approximately 80+ NCAs across the EEA listed in Annex IV, spanning prudential, conduct, resolution, deposit guarantee and AML/CFT mandates. Firms should factor this into their regulatory engagement and communications strategies.

Personal Data and Data Protection

Any personal data exchanged under the MoU must be processed in accordance with the laws and regulations applicable in each authority's jurisdiction. For the EBA, this means compliance with Regulation (EU) 2018/1725 on data protection by EU institutions. Firms should be alert to the data protection implications of cross-border supervisory information exchange, particularly where personal data relating to management body members, shareholders or other individuals is transmitted between jurisdictions with differing data protection standards. As noted in our Client Alert, *An EU View on the SEC–CFTC Joint Interpretive Release and MOU on Crypto-Assets*, U.S. firms operating in the EU must comply with the EU's Anti-Money Laundering framework, the Transfer of Funds Regulation (including the travel rule for crypto-asset transfers) and MiCAR's own AML/CFT provisions, and the coordination envisaged by the SEC–CFTC MOU does not extend to transatlantic AML coordination. The EBA–NYDFS MoU's onward sharing framework — which includes AML/CFT authorities across all EEA Member States — now provides a formal channel through which AML-relevant supervisory information may flow between the two jurisdictions, complementing the separate bilateral arrangements and FATF standards that govern transatlantic AML coordination.

Practical Recommendations

For Issuers of Significant Stablecoins (ARTs and EMTs)

- **Ensure consistency of supervisory reporting across jurisdictions.** The quarterly exchange of reserve composition data, qualifying holding information, group structures and trading volumes means that both the EBA and NYDFS will have access to a substantially overlapping pool of supervisory information. Representations, disclosures and compliance positions reported to one authority must be consistent with those reported to the other. Discrepancies will be identified through recurrent exchanges and may trigger further supervisory inquiry.

- **Review reserve management and rebalancing arrangements.** The MoU specifically covers impediments to rebalancing of reserve assets between jurisdictions, including under stress. Firms

should ensure that their reserve management frameworks address cross-border rebalancing scenarios and that any practical, legal or supervisory impediments are identified and documented.

- **Prepare for cross-border inspections.** Internal protocols should be updated to accommodate the possibility of joint or cooperative examinations involving both EU and US supervisors. Staff in relevant compliance, treasury and operations functions should be briefed. The 45-day notification window — and the deemed-consent mechanism — should be factored into inspection preparedness planning.

For CASPs and Other Supervised Entities Engaged in Stablecoin Activities

- **Assess whether you fall within scope.** The broad definition of "supervised entity or person" means that CASPs providing custody, trading, exchange or transfer services in respect of stablecoins may be within scope, even if they are not stablecoin issuers themselves. Firms should map their stablecoin-related activities against the MoU's definitional scope and assess the potential for supervisory information sharing. This is particularly acute for CASPs that are MiCAR-authorised, given the interplay between MiCAR supervisory cooperation provisions and this MoU. As noted in our Client Alert, *An EU View on the SEC–CFTC Joint Interpretive Release and MOU on Crypto-Assets*, U.S. firms operating in the EU must obtain CASP authorisation under MiCAR irrespective of their U.S. regulatory status, and the U.S. framework's taxonomy and carve-outs have no legal effect in the EU. The EBA–NYDFS MoU reinforces this position: supervisory information exchange will allow both authorities to verify whether firms are meeting their respective obligations, and CASPs with a dual-jurisdiction presence should ensure their compliance posture is consistent across both frameworks.

- **Coordinate legal and compliance teams across jurisdictions.** The infringement notification and enforcement cooperation provisions mean that regulatory difficulties in one jurisdiction could have near-immediate consequences in the other. Cross-border coordination of legal and compliance teams is essential.

- **Review outsourcing and intragroup arrangements.** Supervisory information exchange covers intra-group and outsourcing arrangements. Firms should ensure that outsourcing, delegation and intragroup structures — particularly for custody functions — do not create unintended supervisory exposure. As noted in our Client Alert, *An EU View on the SEC–CFTC Joint Interpretive Release and MOU on Crypto-Assets*, neither MiCAR nor the U.S. framework currently provides for mutual recognition or equivalence determinations in the crypto-asset space, and U.S. firms cannot rely on their SEC or CFTC registration to obtain passporting rights in the EU. The EBA–NYDFS MoU's coverage of intra-group and outsourcing arrangements means that supervisory information on group structures, delegation chains and custody arrangements will now be shared between the authorities — heightening the importance of ensuring that outsourcing and delegation structures comply with MiCAR's requirements and do not create unintended supervisory exposure in either jurisdiction.

For Governance Bodies and Senior Management

- **Treat the MoU as a material governance development.** Fitness and propriety assessments, management body findings and qualifying holding information are all within the scope of information exchange. Adverse governance findings in one jurisdiction may quickly become known in the other. Boards should be briefed on the MoU and its implications for personal exposure. As noted in our Client Alert, *An EU View on the SEC–CFTC Joint Interpretive Release and MOU on Crypto-Assets*, the regulatory divergence between the U.S. and EU frameworks creates a significant dual compliance burden, and fitness and propriety standards under MiCAR operate independently of U.S. regulatory

status. The EBA–NYDFS MoU's inclusion of fitness and propriety findings within the scope of information exchange means that adverse governance findings in one jurisdiction — whether relating to management body members, shareholders or prospective acquirers of qualifying holdings — may quickly become known in the other, with potential consequences for individuals' regulatory standing in both jurisdictions.

For Clients and Investors

- **Understand the enhanced supervisory landscape.** The MoU means that cross-border stablecoin activities are now subject to a structured transatlantic supervisory cooperation framework. Clients and investors dealing with stablecoin issuers or CASPs operating across both jurisdictions benefit from enhanced supervisory oversight. Clients should continue to verify their provider's authorisation status in the ESMA Interim MiCAR Register and, where relevant, with the NYDFS.

Outlook

The EBA–NYDFS MoU marks a significant milestone in the global regulatory framework for stablecoins, reflecting the inherently cross-border nature of major USD-referenced EMTs and ARTs. The MoU institutionalises a supervisory cooperation channel that will facilitate ongoing monitoring, enforcement coordination and crisis management across the Atlantic. For regulated firms, the practical implications are threefold: first, the era of jurisdictional silos is ending — firms must assume that supervisory information flows freely between the EBA, the NYDFS, EEA NCAs and US federal banking regulators; second, the quarterly exchange of reserve asset data and trading volumes demands consistency and rigour in cross-border reporting; and third, the cross-border inspection and enforcement provisions, combined with the MiCAR cliff-edge enforcement model from 1 July 2026, create a supervisory environment in which non-compliance in one jurisdiction will have prompt and material consequences in the other.

Looking ahead, the MoU is likely to serve as a template for further bilateral supervisory cooperation arrangements with other major jurisdictions — potentially including the UK’s FCA, the MAS and the JFSA — as the Commission’s MiCAR equivalence assessments progress. The granular quarterly reporting envisaged by the MoU, covering reserve composition, custody arrangements, qualifying holdings and trading volumes, sets a supervisory baseline that firms should treat as the new standard irrespective of whether they are presently within scope. As MiCAR supervisory practice matures and AMLA assumes its expanded AML/CFT mandate from mid-2025, cross-border scrutiny over stablecoin issuers and CASPs will only intensify. Firms that proactively align their governance, reporting and compliance frameworks with this enhanced baseline will be best positioned to manage regulatory risk and maintain market confidence in an evolving transatlantic landscape.

About us

PwC Legal is assisting a number of financial services firms and market participants in forward planning for the end of the MiCAR transitional period and related regulatory developments. We have assembled a multidisciplinary and multijurisdictional team of sector experts to support clients in navigating the challenges and seizing the opportunities presented by the evolving EU digital assets framework.

In relation to the EBA–NYDFS MoU specifically, PwC Legal is providing guidance on cross-border supervisory cooperation implications; reserve management reporting consistency; inspection preparedness; intragroup and outsourcing structure review; data protection and confidentiality considerations in cross-border information exchange; and governance briefings for boards and senior management.

Moreover, we have developed a number of RegTech and SupTech tools for supervised firms, including PwC Legal's Rule Scanner tool, backed by a trusted set of managed solutions from PwC Legal Business Solutions, allowing for horizon scanning and risk mapping of all legislative and regulatory developments as well as sanctions and fines from more than 2,500 legislative and regulatory policymakers and other industry voices in over 170 jurisdictions impacting financial services firms and their business.

The PwC Legal Team behind Rule Scanner are proud recipients of ALM Law.com's coveted "2024 Disruptive Technology of the Year Award" and the "2025 Regulatory, Governance and Compliance Technology Award".

If you would like to discuss any of the developments mentioned above, or how they may affect your business more generally, please contact any of our key contacts or PwC Legal's RegCORE Team via de_regcore@pwc.com or our website.

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