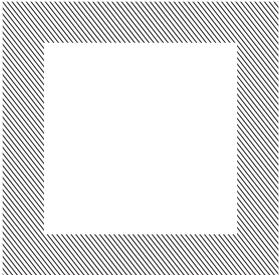
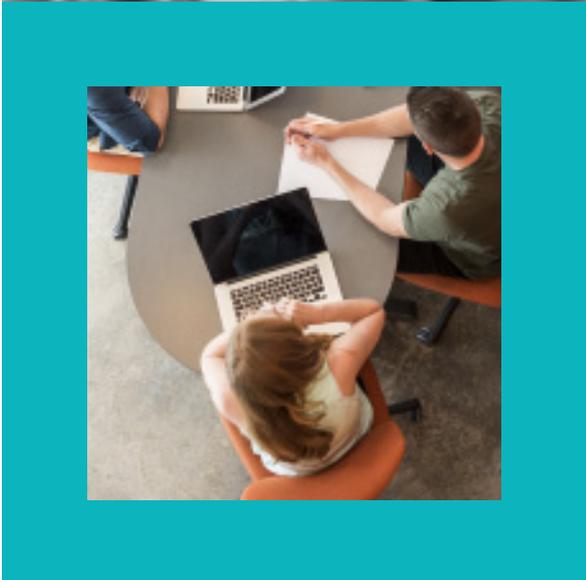
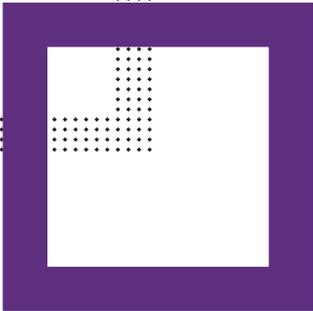
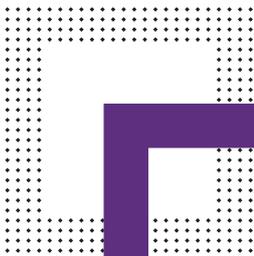


# 2018-2022 STRATEGY FOR THE AUTORITÉ DES MARCHÉS FINANCIERS







### **Financial intermediation is in the midst of a deep-seated transformation.**

Financial technology is changing rapidly with the widespread use of artificial intelligence, the introduction of distributed ledger technology and the increasing digitalisation of transactions. In parallel, new regulations are entering into force, notably the MiFID II package. These changes are disrupting traditional channels and creating new opportunities for improvements to the market's functioning and for reductions in the cost of financial intermediation. However such change may also generate new risks, including operational risk related to the security of the new systems, market fragmentation risk, and the risk of the inappropriate distribution of risky, or even toxic, products.

The United Kingdom's exit from the European Union underscores the need to form a true Capital Markets Union in Europe. To provide EU27 with a financial market commensurate with its economic power is vital to strengthening that power, through adequate, competitive and stable financing. This hinges on the building of a single supervisory authority allowing for a uniform application of common rules across Europe and a single approach to relations with third countries. In short, it requires us to look beyond our national viewpoints to create a resolutely European regulation.

French savers' needs are changing, as are the needs of the French economy. To boost the growth potential of our country, we need to finance innovation and new infrastructures while fully integrating responsible and sustainable development. Furthermore, to ensure that savings receive substantial remuneration and, amongst others, provide supplementary income in retirement, we need to diversify investments, add a dash of risk and forego, in part, liquidity.

These changes demand a new set of dynamics for the way the AMF carries out its long-standing missions. In order to provide appropriate assistance, to be both proactive and responsive, and to prevent risks, the AMF needs to be more agile and open, expand its expertise and adapt its working methods and intervention tools. This ambition informs our five-year strategy, focused on identifying the main medium-term issues and drawing the consequences via annual operational objectives and supervisory priorities. Sharing this road map with all players concerned forms a natural part of this approach.

**Robert Ophèle,**  
Chairman of the Autorité des marchés financiers

Nearly ten years have passed since the financial crisis. The regulatory framework and the financial system have changed dramatically and become more robust, but expectations forwards regulators remain high. These include the expectations of investors and of public opinion in general with respect to risk prevention and protection of savings, but also of regulated entities and companies whose strategic choices and development opportunities are increasingly determined by regulatory considerations. The work carried out in the development of our 2018-2022 strategy sought to define where the regulator’s value-added will lie in the future and how it will fulfil its duties in a rapidly changing financial world. It is also necessary to define the role of the national regulator in a more integrated European Union that is preparing for the United Kingdom’s exit. Lastly, we need to play a role in the shift towards sustainable finance.

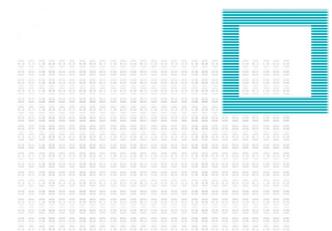
The five-year vision set out in this document is supported by the AMF’s achievements and strengths, while seeking to bring about the changes needed in our actions and approach in order to meet the new challenges. The vision is guided by our core tasks of protecting retail and other investors and ensuring the orderly operation of the markets.



## **MEDIUM-TERM GUIDANCE BUT OPEN TO ADJUSTMENT AND WITH ANNUAL PRIORITIES**

Despite an uncertain environment, we must without delay set out guidance for our organisation, skills and tools, as well as define the responses we want to bring to the structural trends we have identified. Other objectives might, however, be revised or supplemented in the face of changing conditions in our institutional framework and in the industry. That is why we have decided to publish, simultaneously with this plan, annual action priorities, which will make it easier for the various stakeholders (market participants, industry associations, retail investor representatives, authorities and other partners, in France and elsewhere) to understand our action, allow us to regularly assess our progress, and enable us to dynamically adjust our strategy. This plan does not therefore seek to freeze the picture but rather to encourage an ongoing strategic dialogue internally and externally, so that it may be adapted or supplemented as needed.

Lastly, the pace at which the proposals under consideration will be implemented depends on the financial resources allocated to the AMF. We will work with the government to define a multi-year budget framework for our human and financial resources that will offer greater medium-term visibility.





## THE KEY ISSUES AND WHAT CAN BE EXPECTED OF THE REGULATOR

There have been a number of major disruptions at institutional and technological levels over the recent period. New financing needs for the economy are also arising and questions are emerging about the implementation of the post-crisis regulatory framework and its ability to meet the new challenges (innovations, changes in third-country regimes, etc.). The plan thus starts at a critical juncture, one that calls on us to revisit our objectives.

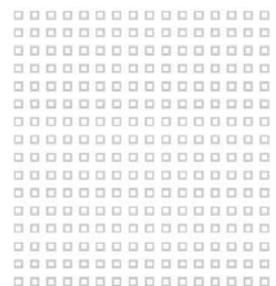
First, the United Kingdom's exit from the European Union is profoundly changing the existing balances and is forcing us to reassess Europe's financial organisation in order to breathe new life into the single capital market and maintain the EU's competitiveness; one significant component will be the emergence of effective European supervision. The AMF, the national authority for one of Europe's main financial centres, with major financial industry participants (issuers, banks, asset managers, market infrastructures, FinTechs, etc.) and a high level of savings, must play a major role in meeting these challenges.

The last post-crisis regulatory reforms have also just been finalised. While the implementation of several major pieces of legislation still lies ahead, it is important to consider how to help market participants with the new rules and a feeling that there are too many regulations, but also to consider the means for bringing changes to the legislation in the future. This is a particular challenge for European regulators, who are faced with a more complex institutional architecture than their partners outside the EU. We also need to define a supervisory framework that is appropriate to the degree of detail and complexity in the new body of rules, all in an increasingly open environment.

The second disruptive force is the emergence of new technologies, and the innovations they will facilitate in the various segments of the financial industry and in the relationships among market participants and

with clients. These innovations, which often represent a challenge to existing models, could enable the development of more efficient and less expensive financial intermediation. However they could also increase certain risks and create new ones: protection of personal data and cybercrime are thus becoming important issues. The AMF must therefore strike the right balance between an innovation-friendly approach and the protection of retail investors, as well as the integrity and safety of the markets. The regulator must also take advantage of these new technologies to make its work more efficient, for example by using new analytical or detection tools.

Lastly, the European initiatives considered in the context of the Capital Markets Union will supplement domestic initiatives aimed at business financing and in the area of savings taxation. The financing of the climate transition and the emergence of sustainable finance are also among the challenges we face today; they can no longer be relegated to a future date. The AMF must ensure that the conditions for access to the financial markets and to the resources needed to respond to the new financing needs are attractive. As part of its duty to protect savings, it must also take into consideration the trend towards a decrease in traditional intermediation by banks and insurers in favour of asset managers and new forms of financing. Lastly, it must make business location in France easier — this is essential for a dynamic ecosystem — without participating in a race to the regulatory bottom but turning the quality of supervision into one of the advantages of the French framework.



To conclude, protecting retail investors today means better supervision of the reality on the ground, in particular in terms of the marketing financial products, understanding investors' behaviour and their changing expectations, helping to educate them, and identifying the risks and the means of action that could better serve their interests (including the use of the regulator's new powers to ban the distribution of certain financial products and its ability to sanction).

Refocus the regulator's actions on major challenges and prepare for the future:

- Commit to a strong, more integrated, more competitive EU27;
- Rethink our supervision and our intervention tools;
- Assist market participants, promote innovation and commit to the attractiveness of the markets and the financial centre;
- A modern and more agile AMF.

The regulator's 2018-2022 strategy is focused on these key challenges and sets out four main objectives, underpinned by a few major priorities which are set out in detail below.





## A NEW EUROPEAN VISION

Both the United Kingdom and the EU27 must draw all the consequences of Brexit. While the London financial centre will remain at the heart of international financial trading, it will no longer be able to play the same role for the European Union, which cannot rely as heavily on a financial centre now located beyond its borders. The EU27 must therefore work to develop of an efficient internal financial system that will best ensure the financing of our economies and create a robust and balanced framework for its relationships with third countries, chief among them the United Kingdom.

The stakes are high for European regulators, which will have to participate in the discussions in the coming months and pave the way for the withdrawal of the UK regulator, at a time when we need to strengthen the European supervisory model and revisit regulations that are often largely inspired by the United Kingdom.

The AMF's priorities are clear: first, support the reforms within the Capital Markets Union that will help enhance the dynamism and deepening of the European markets, and ensure they are attractive and competitive; and, second, support a more effective, uniform supervisory model that limits the possibilities for regulatory arbitrage and ensures closer coordination between national regulators and a better division of tasks with ESMA. These two components are critical to achieving a true integration of the European capital markets.

- 1 Integrated and competitive EU27 capital markets
- 2 Balanced relationships with the United Kingdom
- 3 More effective European supervision

The European work will thus continue to make significant demands on the resources of the AMF, which will mobilise its teams to replace some of the staff and expertise of the UK regulator in working groups. The AMF currently chairs two of ESMA's standing committees; it will also maintain its technical presence in the various groups and will second national experts to ESMA on an as-needed basis. In addition to technical expertise, national regulators need to work with ESMA to provide insights on the reality on the ground and from day-to-day relationships with market participants.

The AMF will also continue to participate in international work (primarily with IOSCO and the Financial Stability Board). This involvement is necessary at a time when the international cohesion displayed after the crisis has become more fragile and when we need to ensure that the different regimes fit together. It also allows us to remain in close dialogue with our counterparts in the United States, before long in the United Kingdom, and elsewhere around the world. It is also important for encouraging and facilitating cooperation on cross-border supervision. The AMF's participation will nevertheless have to be reassessed, depending on the themes, and more focused on the key topics.



## CLARIFY THE REGULATORY FRAMEWORK AND WORK TOWARDS QUALITY STANDARDS

The regulatory reforms adopted post-crisis were needed to correct the failures of the system and strengthen the transparency and safety of the financial markets. They had the effect, in Europe, of creating a complex, highly detailed regulatory framework in which various levels of European and national regulation overlap, where “product” rules and “participant” rules interact. The strengthening of the regulatory framework can also serve as a disincentive, particularly for the smallest firms. For issuers, the shrinking number of listed companies in recent years is but one example.

Professionals (investment services providers, management companies, market infrastructures, issuers, etc.) thus have high expectations that the regulator will assist with the implementation of new laws, clarify certain provisions and highlight specific areas of focus. The AMF intends to continue to play this role, by maintaining an ongoing dialogue with market participants and industry associations, publishing guides and educational material, and holding training sessions and conferences. The publication of annual supervisory priorities (see below) will also further this objective. In addition, work will be done to improve the clarity of the AMF General Regulation, which must now refer to a number of European regulations, and the accessibility of AMF policy. Lastly, efforts will have to be made to clarify the status of various texts, one example being the scope of the “Questions and answers” published by ESMA.

On top of these efforts to educate and clarify, we also need to take our commitments in several areas even further: first, we must avoid creating new rules thereby adding to what is already a highly dense framework and, second, we should ensure that AMF policy does not create additional constraints over and above those included in the European framework. This requirement is particularly necessary as there are numerous examples of continued differences in interpretation and implementation of rules within Europe, despite the granularity of the adopted legislation.



The second imperative is to evaluate the effects of the new rules on the operation of the markets, the financing of the economy and the protection of savings, but also in terms of impacts on relationships with third countries and the competitiveness of the European markets. If needed, adjustments should be proposed immediately, whether in the national framework or with our European partners. These adjustments should also help improve or simplify the systems, so that we make them work better overall.

Europe faces a considerable challenge, as it must find ways to give the regulatory framework the flexibility it needs to make any adjustments or corrections to the regulations that may be necessary, based on new circumstances or issues that may arise.



## **RETHINK AND STRENGTHEN SUPERVISION**

The AMF must remain, at its core, an authority that protects and contributes to investor confidence. This involves, among others, clear requirements for regulated professionals and an ongoing dialogue on important regulatory matters. It also entails effective and fair supervision, focused on prevention and deterrence, while using enforcement where necessary. After a decade marked by the development of European laws that sought to enhance the safety and transparency of the European financial markets, efforts must now be directed firmly at strengthening the supervision of market participants and preventing new risks.

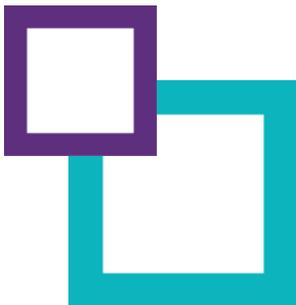
To that end, we need to change both our approach and our supervisory tools. The objectives are multiple: focus the relationship between the AMF and regulated entities on higher-stake subjects, cover areas that have previously been neglected or that require more resources, and address developments such as the expansion of cross-border distribution and the upcoming transformation of the European financial landscape post-Brexit. We also need to make our supervisory actions more consistent and easier for market participants to understand. Therefore the ultimate goal is indeed to strengthen our supervisory tools and the effectiveness of our actions, by capitalising on the efforts made in recent years, for example in the control of financial intermediaries' marketing materials, and to intensify the structured monitoring of participants and the frequency of the inspections, depending on the risks identified.

The first component concerns decisions on the allocation of our resources to upstream regulatory actions (prior authorisations, reviews of documents, declarations, as well as policy development) and downstream actions (monitoring and inspections of market participants and products, following authorisation or approval). Some of the checks performed by the regulator (not required by law) will therefore be alleviated, or eliminated, so as to hold market participants accountable, while retaining the means to intervene in the event of any failings based on selective ex-post controls. Starting in 2018, our procedures for reviewing marketing material for retail products will therefore be reassessed.

The second avenue of change relates to investment services providers and management companies, and involves a better coordination between our ongoing supervision and our inspections, and the development of new inspection formats. The implementation of shorter more limited inspections will thus allow us to cover more market participants without adding to the workload. Increasing the number of inspections performed on an annual basis (about 60 from 2018, compared with about 30 today) will also strengthen their role in prevention and in understanding the reality on the ground. At the same time, certain complex themes will continue to be subject to more thorough inspections, to which more resources and time will be allocated.

In addition to the development of shorter exploratory inspections, other initiatives will be undertaken to strengthen the continuum between ongoing supervision and inspections, in particular to coordinate the teams or determine the phasing of our different supervisory actions. The separation of the monitoring and inspection teams (the latter being charged with verifying the actual existence of the systems described, including through on-site inspections) remains, however, a key aspect of our supervisory framework. We will nevertheless encourage interactions between the teams and occasional collaboration, also in an effort to promote the overall consistency of our approach.

Some of the formal aspects of the current inspection procedure will also be reviewed, depending on the circumstances (for the presentation of findings, for example), and the presentation of the inspection reports will focus on providing fuller explanation about the conclusions drawn by the AMF's teams. Wherever possible, the inspection reports will also seek to highlight the positive conclusions that came out of the investigations.



The third avenue of change will entail more active and broader communication on our supervisory priorities and actions. Thematic priorities will therefore be announced every year, highlighting the regulator's specific areas of focus. The AMF will also endeavour to provide more detailed feedback, in a more accessible format, on the lessons learned from its supervisory actions. This feedback could take the form, for example, of a communication on good and poor practices observed in the industry. Lastly, while the AMF's primary audience is often the firms' compliance officers, our aim is also to improve communication and discussion with executives and business line managers, in order to further the understanding of and the dialogue on both regulatory and business-related issues.

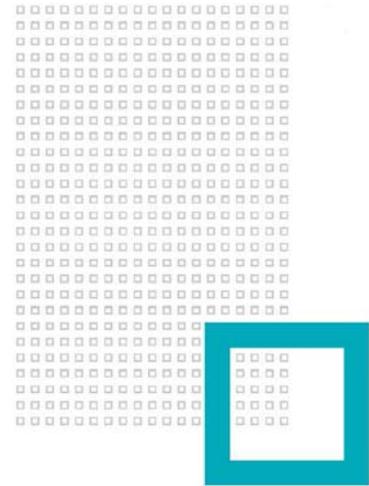
The fourth avenue of change that underlies and is essential to the shift in our supervisory policy is to strengthen our risk-based approach by incorporating, in particular, the new reportings introduced by European law for the purposes of data-driven supervision. Efforts will therefore gradually be made to enhance the scoring methodologies for market participants and risk mapping in each segment, so as to appropriately target the intensity of our monitoring and inspection actions.

A detailed data strategy will be developed in 2018. This strategy will identify the various needs, both micro (monitoring of market participants and products) and macro (financial stability, operation of the markets); set out the basis for an overall data governance framework within the AMF; and consider possible procedures for sharing and exchanging data, between authorities or with other potential partners (researchers, etc.). The opportunities associated with the new analytical tools and new technologies will also be explored to facilitate and improve the efficiency of the work of the supervisory teams. Investment in the AMF's surveillance systems (the "ICY" project), which uses big data and artificial intelligence technologies, will provide a powerful tool in this regard.

The last component is the need to mobilise and/or develop new expertise to address new supervisory challenges and emerging risks. This is the case, in particular, for cybersecurity and, in general, regarding the robustness of the IT systems, as well as for the monitoring of new technologies implemented by established firms (blockchain, artificial intelligence, RegTech solutions, etc.) and new entrants. This is also the case for non-financial information (climate reporting, socially responsible investments, etc.) where the AMF intends to gradually expand its technical expertise, following on from the CSR and IRS work already done, in order to be in a strong position to monitor the information provided by issuers and management companies.

In terms of human resources allocated to supervision (team size and degree of seniority), overall consideration will be given to allocating the necessary resources given the broadening of our scope of supervision, the desired level of coverage, the possible increase in activities subject to AMF supervision in a post-Brexit environment, and also the efficiency gains made possible by the use of new technologies.

- 1 Make market participants more accountable and strengthen downstream supervision
- 2 New inspection formats and increased frequency
- 3 More active and broader communication
- 4 Risk-based approach and data-driven supervision
- 5 New expertise to address new supervisory challenges



Lastly, while market participants are now planning how they will restructure their activities geographically post-Brexit and as a multi-polar landscape will likely emerge, the European level will be a major supervisory policy challenge. This has a number of dimensions: first, the work and initiatives that aim to strengthen the convergence of supervisory practices in Europe and, second, the collaboration with our counterparts within the EU and in third countries to monitor market participants and supervise products marketed under the free provision of services. No matter the decisions made as part of the review of European Supervisory Authorities (ESAs) currently under discussion, ESMA will have to play a critical role to make the future supervisory system more efficient and robust.



## A REGULATOR OPEN TO NEW TECHNOLOGY AND THE INNOVATIONS IT BRINGS

A regulator open to new technology is an asset for the financial centre and extends its international influence. It is also important to understand future developments, as the opportunities offered by new technologies could disrupt a number of segments of the financial services industry: changes in marketing methods and investor expectations for speed, transparency, comparability, etc.; emergence of client- rather than product-based models that challenge existing architectures and, quite often, regulatory frameworks; the data issue; and the disruption of the relationships between market participants and in the role of infrastructures. Many benefits are expected, for example, in terms of competition, costs and security, as well as service quality and access to advice or financing. The disruptions underway also open up the financial world, by making way for new actors (FinTechs and RegTechs today and possibly GAFA tomorrow), or by creating new interactions with areas such as payment systems. They are forcing regulators to develop exchanges, partnerships and technical cooperation with new public and private bodies (data protection and information security system authorities<sup>1</sup>, incubators, platforms, universities, etc.) and to tap new pools of talent. The Paris financial centre has a number of advantages that can be highlighted in this field and the AMF's action, in particular with the establishment of the FinTech, Innovation and Competitiveness (FIC) division, have already been recognised.



The regulator's objective with regard to innovation is thus twofold: facilitate the launch and rollout of innovative models and technologies, while monitoring the potential risks to investors or to the operation of the markets, or even in terms of financial stability. The AMF's actions must therefore be broken down into its role of supporting project initiators, in particular new entrants, and the appropriate monitoring and supervisory actions. It will also be important to participate actively in the public debate on innovation, and the opportunities and risks that it represents.

Innovation also poses significant competition challenges. The regulator will ensure that the same body of rules is applied to equivalent services, regardless of the type of firm or the technology used, while upholding the principle of proportionality. At the same time, new regulatory models will need to be developed to respond to truly disruptive systems.

<sup>1</sup> CNIL (Commission Nationale de l'Informatique et des Libertés) and ANSSI (Agence nationale de la sécurité des systèmes d'information) in France.



## SUPPORT THE ATTRACTIVENESS OF THE MARKETS AND OF THE FINANCIAL CENTRE

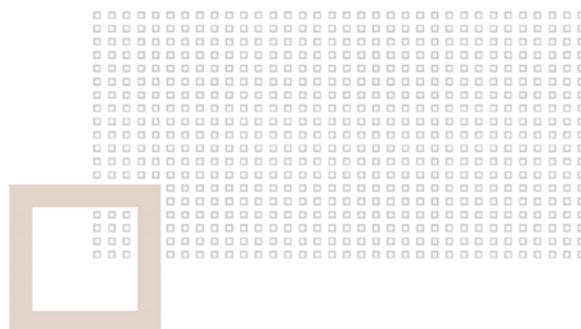
Financing the needs of the French economy requires attractive markets and an attractive financial centre. The regulator is just one element in this, but its role has grown in significance due to the importance of the regulatory framework and its impact on market participants' strategies and profitability. The AMF's role can thus be understood as a commitment to performance for financial intermediaries and listed companies (short response time frames, simplified procedures, new communication and document-sharing interfaces, etc.), to a close relationship and a dialogue with market participants, and to a high quality of supervision and expertise.

One specific challenge is making the markets attractive to companies. Several proposals in the French Action Plan for Corporate Growth and Transformation (*Plan d'Action pour la Croissance et la Transformation des Entreprises*, or PACTE), which will be discussed in early 2018, deal with the question of whether the markets are attractive to businesses. Some relate directly or indirectly to the regulator, whether on matters of corporate governance, issuer/investor dialogue, dissemination and the role of employee share ownership, or proposals that relate to the opening up of capital, initial public offerings and delistings. These are just some of the areas where innovative responses are possible and where the regulator can make a contribution.

Progress could also be made on bolstering the initiatives already undertaken to improve the financial centre's competitiveness. The "FROG" initiative, launched initially in asset management, could be reproduced in other sectors (issuers, for example) or in support of the financial centre's fields of excellence or innovative expertise.

That is the case, for example, with SME financing, green finance and blockchain. Sustaining the financial centre's attractiveness could also involve developing partnership agreements with non-EU regulators, which would open up strategic markets for French firms and make it easier for foreign firms to access the French market.

With Brexit as a backdrop, we should make it a priority to welcome foreign firms that want to establish operations in Paris. Hiring employees with international experience, routinely translating our documents into English, broadening our communication and making the teams available are just a few examples of actions taken to that end.





## **ENFORCEMENT: AN IMPORTANT PILLAR OF THE REGULATOR'S ACTION**

The AMF has significant experience with alerts, supervision and investigations, and has a successful track record involving complex cases. The IT investments underway (ICY project) will enable the regulator to maintain its edge in terms of market surveillance. New challenges are emerging, however, for example with the growth in cybercrime and the increasingly complex nature of the investigations, which lengthen outcome time frames and jeopardise the completion of the investigations. At the same time, issues relating to the protection of personal data, among others, require that we secure our enforcement powers from a legal standpoint.

The AMF will continue to use its enforcement powers to sanction regulatory breaches and as a deterrent, even though it still prefers preventive action. The decisions of the AMF Enforcement Committee and of its appeal courts also allow to remind financial market professionals, legal practitioners and all our stakeholders of the rules and of the ways in which the AMF exercises its control. The variety of regulatory breaches sanctioned; the scale of the sanctions imposed, which cover both individuals and corporate entities; and the attention to clarity in the presentation of the Committee's decisions all play a key role in the fulfilment of the AMF's financial regulation task. The AMF will continue to call for dissuasive penalties for the most serious cases.



Efforts will be made to minimise the time taken all along the disciplinary chain. The AMF will also continue to opt for a settlement procedure where conditions permit.



## THE AMF'S ACTIONS FOR RETAIL INVESTORS

The AMF takes decisive action on supervision, prevention, alerts and education for retail investors, whether on its own or with its partners (the French prudential supervisory authority (ACPR), the *Banque de France*, the General Directorate for Competition Policy, Consumer Affairs and Fraud Control (DGCCRF), etc.). It provides retail investors with access to a call centre, an online platform and a mediation service. It maintains close dialogue with retail investor representatives, mainly via the AMF's Retail Investors Consultative Commission. The AMF also takes a forceful stance against illicit marketing practices by going to court to block access to sites of unauthorised services providers and will not hesitate to suspend the passport of entities operating under the freedom to provide services that do not comply with regulations.

One important objective of the AMF's 2018-2022 strategy is to intensify efforts to monitor distribution, with increased attention to sales conduct and new distribution methods, or in the context of the implementation of "product governance" frameworks. This tighter control over distribution will be part of a risk-based approach, targeting distributors and including, where applicable, foreign firms and products. This action will supplement or follow on from initiatives undertaken in recent years (attention paid to the clarity and balance of marketing material, inspections of distributors and financial investment advisers, mystery shopping, vigilance on certain particularly risky or complex products, web monitoring of promotional campaigns, etc.) by seeking to grasp more precisely the reality of the distribution of financial instruments to retail clients. In the context of the evolving tax policy with regard to savings, it will also be important to evaluate the changes that may result in terms of how savings are allocated.

Another change in our approach to retail investors will aim to incorporate the lessons of behavioural finance so as to be better positioned to identify the means of intervention for retail investors and understand their perception or the reactions of specific populations (the elderly, digital natives, etc.).

Lastly, the regulator's message to retail investors must be consistent and highlight risks when they exist, but also show how finance can meet individual needs, in particular with retirement dependency savings, and how it can help share value creation, for example with employee savings plans. Similarly, with respect to technology, it is the regulator's responsibility to explore the risks while evaluating the new opportunities that they may represent, for example in terms of access to advice, financial education or transparency and comparability. Lastly, it is essential that the regulator's actions do not relieve retail investors of their responsibilities, which means the regulator must also continue its educational efforts.





## A MORE AGILE AMF: KEY TRANSFORMATION FACTORS

Resource constraints, as well as the rapid and significant changes in our environment, require the regulator to fundamentally reinvent itself and refocus its work on priority issues by setting out a clear strategy. It also requires the regulator to more effectively communicate on its actions to increase their impact and provide points of reference in a complex and constantly moving environment, where expectations are high. The AMF must therefore find innovative approaches, rethink how it collaborates with its partners, and become more agile to keep pace with the acceleration in the undergoing transformations of market participants and society and with the new methods of regulation.

More than a work programme, the vision defined here is intended to be an inflection point in our approach to certain topics and in our ways of working. To succeed, the regulator needs to modernise and move forward in several areas, and one important aspect is the transformation of the institution's internal culture.



The first area of improvement will involve a review of our procedures with the aim of simplifying them and focusing on the higher value-added tasks and on the areas of risk. Digitalising and automating certain procedures will make this change easier. Looking

outward, modernising our communication interfaces (developing a new BIO 3 tool for management companies, digitalising the entire registration document filing process for issuers, creating new online search functionalities for the AMF General Regulation, etc.) will also facilitate interactions and help modernise our image.

Our ways of working and methods of management must similarly evolve to free up resources (fewer detailed reviews, more effective prioritisation of topics). The idea is also to operate, where necessary, in a more collaborative and flexible manner, to allow cross-cutting approaches, on a project-by-project basis, that are open to contributions from different teams and outside partners. The aim is to better mobilise our resources, based on any new needs that have been identified, and to improve the agility of the institution as a whole.

The third prerequisite is to continue the efforts made in skills development (see above for examples of areas where the regulator needs to develop its expertise) and career paths, as the AMF's HR model remains open to the private sector, but must now operate in the context of more stringent deontological rules.

The fourth factor in the transformation, which is also a result of the others, is that, in a complex and fast-changing world, the regulator must modernise its communication to make it more educational, more direct for market participants, and more dynamic. New formats of communication, in addition to our traditional media, could also be developed to reach a wider audience (for example, webinars, newsletters on operational issues published on an ongoing basis, use of social media, etc.).

Lastly, just as the legal, audit, compliance and risk management professions are undergoing their own transformation, the regulator must explore the opportunities presented by the new technologies in the exercise of its various duties and anticipate possible changes in how to regulate and supervise financial market participants. There is no doubt that the financial services industry and retail investors of the future will not resemble those of today. The regulator will have to change as well.





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