

AMF 2015 INTERNATIONAL FALL SEMINAR

“Carrying out efficient market oversight: tools and challenges”

Paris, 16, 17 and 18 November 2015

Address by Gérard Rameix, AMF Chairman

Paris, 16 November 2015

Ladies and Gentlemen,

It is my great pleasure to welcome you to the AMF’s sixth annual seminar for financial markets regulators.

The AMF International Seminar has witnessed remarkable growth over the past years, which, in my view, clearly demonstrates how much we all value the importance of sharing expertise and knowledge in overseeing markets.

Given the cross-border nature of financial services and products, and the need for supervisory and enforcement cooperation, engaging with international partners is crucial.

Before you commence what I trust will be an interesting Seminar, I am very pleased to be given the opportunity to share with you a few thoughts.

One of the reasons we need to know and understand each other and work together is that we all face similar or, at a minimum, related challenges.

Despite the timid signs of economic recovery in Europe, the context is marked by a complex and unprecedented global macro-economic environment. On the one hand, we are facing known and sometimes unknown risks linked to persisting low interest rates in the Euro-zone and, on the other hand, we must anticipate the possible consequences of a rise in interest rates in other parts of the world. As such, issues around market liquidity and market volatility are taken very seriously.

This is taking place at a moment in time when not all financial reforms have yet been fully implemented and when certain issues of international convergence are still unresolved.

I have in mind, in particular, the OTC derivatives reform where strong progress still needs to be made so that these markets can operate in a safe environment without regulatory arbitrage. In that context, cooperation between securities regulators is of great importance for an efficient operation and supervision of interconnected markets.

IOSCO has undertaken a huge effort to enhance the level of cooperation amongst its members. In particular, it has developed the IOSCO Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information, the so-called MMoU, which sets an international benchmark for cross-border co-operation.

As Chair of the MMoU Monitoring Group, I work with all parties concerned on ways to improve the functioning of the MMoU. Needless to say that it is highly important that we all sign up to, and comply with, the MMoU, just as it is equally important that we implement the IOSCO principles and standards. Important work is being carried out by IOSCO on key issues such as the resilience of central counterparties (CCPs), risks in the area of asset management, market conduct and credible deterrence, to name a few.

This leads me now to the intensive work which has been going on at European Union level to implement the reforms adopted in recent years. I will not go into details about the different European texts as you will hear more about them and their implementation during the following sessions.

I would however like to emphasize that the European Securities and Markets Authority (ESMA), the European institutions, as well as national competent authorities, such as the AMF, have been actively and collaboratively engaged in delivering the breath-taking number of implementing measures in a timely manner. In addition to a common legal framework, the objective of the European Union is indeed to provide a level playing field for market participants operating in Europe, conducive to the development of a dynamic, coherent and competitive Single Market.

ESMA also has a key role to play in achieving greater convergence in supervisory culture across the European Union and, for that purpose, it has a number of powers and tools at its disposal. Finally, ESMA can also play a role under the “Capital Markets Union”.

As some of you may know, the establishment of a “Capital Markets Union” is part of an initiative launched by the European Commission to boost growth and jobs across the European Union. It is a positive initiative which acknowledges the fact that capital markets in the European Union can play a greater role in funding businesses, especially small and medium sized enterprises (SMEs).

The AMF has been actively engaged in this debate and has called for a pragmatic approach, aimed at diversifying sources of funding for businesses and based on the effective implementation of post-crisis reforms. Most specifically, we have been actively involved in formulating proposals to promote a simple, transparent and standardized securitization and to review the Prospectus Directive.

The European Commission recently unveiled its Action Plan to build a “Capital Markets Union” and we were pleased to see that many of the ideas are in keeping with our proposals **Niall Bohan**, Head of Unit for Capital Markets Union at the European Commission, has also accepted our invitation to speak at the Seminar, and I am very pleased that you will be able to hear directly from him about the recent developments and next steps concerning this initiative.

To conclude, I would like to state that the AMF will remain heavily involved and committed at both European and international levels to guide the shape of financial regulation, with investor protection at the heart of its concerns, but at the same time we have refocused our strategic priorities on growth and on putting finance back where it belongs, to serve the economy.



As such, the AMF will continue its efforts to reconcile investors with finance and restore their confidence in financial markets, including by using enforcement as needed, but without discouraging risk-taking and long-term investing to ensure future and sustainable growth.

I thank you for your attention and wish everyone very fruitful discussions.