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AMF ombudsman publishes her 2017 annual report

AMF Ombudsman Marielle Cohen-Branche has presented her latest annual report at a press conference. Although the number of cases received fell for the first time in five years, 2017 was again marked by strong acceptance of recommendations made, and the mediation process generally, among retail as well as professional investors.

Figures for 2017

A favourable stock market environment, a better understanding of mediation, with fewer premature cases, an absence of mass disputes and a fall in forex cases explain the reduction in the number of cases in 2017.

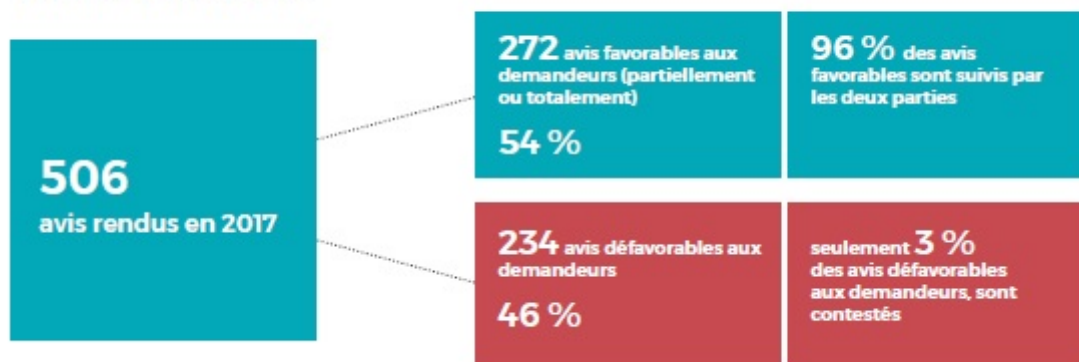
- 1,361 cases received (-9% compared with 2016)
- 1,406 cases processed (-7%)
- 506 opinions issued (- 5%)

These figures should be qualified by emphasising that the opinions issued rose by 22%, excluding the exceptional mass dispute in 2016 (120 cases).

Due to the dividing up of ombudsmen's jurisdiction (banking, finance and insurance), the number of inadmissible cases also continued to rise year on year, to almost one in two in 2017 (49%).

RÉPARTITION ET SUIVI DES AVIS RENDUS EN 2017

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However we should highlight the high level of acceptance which AMF mediation continues to achieve, whether or not opinions are favourable to the applicant (54% of opinions are favourable). Parties to the dispute adhere to 96% of favourable opinions and, even in the event of an unfavourable opinion, they are very rarely challenged (just 3%). These figures reveal the ombudsman's success in achieving her primary objective: to resolve disputes amicably and definitively.

Forex trading and employee investment: the main grounds for mediation requests

Claims continue to be dominated by the two key subjects of recent years: speculative trading (forex and binary options) and employee investment, although with some notable changes.

- Claims relating to forex disputes fell sharply, continuing the decrease previously recorded in 2016. The 55 cases received concerning authorised companies (with 43 referred to the public prosecutor, since the entities were illegal) represents a 50% fall compared with the previous year, reflecting the impact of the regulator's moves to combat this phenomenon. In this respect, 2017 saw the implementation of the measure contained in the Sapin II law prohibiting advertising of the most toxic products. However, the 27 cases received from retail investors in relation to investment diamonds reveal a possible new focus for scammers. Since no professionals in that sector are currently authorised by the AMF, as required since May 2017, the ombudsman cannot validly intervene as such cases are therefore criminal matters.
- Employee investment cases are increasing, meanwhile, rising to 211 from 186 in 2016. Cases of early redemption (22% of cases) and allocation difficulties (19%) are the most common problems. While real efforts have been observed by account-keepers in terms of transparency and accessibility to company savings plans (PEEs), risks of confusion and

misunderstanding among employees persist. With the Pacte law currently under discussion, close attention should be paid to changes in the PERCO and the ombudsman is currently making recommendations in this respect to the authorities and professionals.

This point illustrates the more general role of the AMF Ombudsman's Office, i.e. being able to make a real impact when necessary. By encouraging professionals to adapt their procedures if they are taking advantage of the problems observed and by submitting proposals for reforms to the relevant bodies, the ombudsman contributes actively to changing practices and indeed legislation.

Outlook for 2018

From the introduction of MiFID 2 and PRIIPS regulations to the development of crypto-assets, the emergence of potential disputes linked to these innovations and the ban on marketing certain financial contracts (CFD and binary options¹, 2018 is set to be a busy year. Beyond these regulatory changes and trends, the mediation landscape itself will be an important topic in the coming months, particularly given the strengthening and increased number of alternative dispute resolution methods called for by the regulator. For the AMF Ombudsman's Office, the objective remains the same – to ensure that consumers have all the information they need to make an informed choice in all cases.

About the AMF

The AMF is an independent public authority responsible for ensuring that savings invested in financial products are protected, that investors are provided with adequate information and supervising the orderly operation of markets. Visit our website www.amf-france.org

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Keywords

ANNUAL REPORT

[1] Decision of 23 March 2018 by the European Securities and Markets Authority (ESMA) to implement the intervention measures provided for in MiFID 2 relating to the supply of Contracts for Difference (CFD) and binary options to retail investors in the European Union.

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ANNUAL REPORT

18 May 2022

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AMF NEWS RELEASE

MEDIATION

20 April 2022

The AMF Ombudsman publishes her 2021 Annual Report



AMF NEWS RELEASE

MEDIATION

26 November 2021

Marielle Cohen-Branche is reappointed as AMF Ombudsman for a three-year term



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