

**Jurisdiction:**

France

# 2018 IMN Survey of National/Regional Progress in the Implementation of G20/FSB Recommendations

Contact information

- I. Hedge funds
- II. Securitisation
- III. Enhancing supervision
- IV. Building and implementing macroprudential frameworks and tools
- V. Improving oversight of credit rating agencies (CRAs)
- VI. Enhancing and aligning accounting standards
- VII. Enhancing risk management
- VIII. Strengthening deposit insurance
- IX. Safeguarding the integrity and efficiency of financial markets
- X. Enhancing financial consumer protection

List of abbreviations used

Sources of recommendations

List of contact persons from the FSB and standard-setting bodies

National authorities from FSB member jurisdictions should complete the survey and submit it to the FSB Secretariat ([imn@fsb.org](mailto:imn@fsb.org)) by **Friday, 8 June 2018** (*representing the most recent status at that time*). The Secretariat is available to answer any questions or clarifications that may be needed on the survey. Please also provide your contact details for the person(s) completing the survey and an index of abbreviations used in the response.

National authorities are expected to submit the information to the FSB Secretariat using the Adobe Acrobat version of the survey. The Microsoft Word version of the survey is also being circulated to facilitate the preparation/collection of survey responses by relevant authorities within each jurisdiction.

Jurisdictions that previously reported implementation as completed in a particular recommendation are only required to include information about main developments since last year's survey and future plans (if applicable) ("Update and next steps" table). New reforms to enhance the existing framework in that area should be described, but should not lead to a downgrade from implementation completed to ongoing. Jurisdictions that do not report implementation as completed are required to include full information both in the "Progress to date" and "Update and next steps" tables.

As with previous IMN surveys, the contents of this survey for each national jurisdiction will be published on the FSB's website at around the time of the 2018 G20 Summit in Buenos Aires. The FSB Secretariat will contact member jurisdictions ahead of the Summit to check for any updates or amendments to submitted responses before they are published.

I. Hedge funds

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**1. Registration, appropriate disclosures and oversight of hedge funds**

**G20/FSB Recommendations**

*We also firmly recommitted to work in an internationally consistent and non-discriminatory manner to strengthen regulation and supervision on hedge funds.*  
(Seoul)

*Hedge funds or their managers will be registered and will be required to disclose appropriate information on an ongoing basis to supervisors or regulators, including on their leverage, necessary for assessment of the systemic risks they pose individually or collectively. Where appropriate registration should be subject to a minimum size. They will be subject to oversight to ensure that they have adequate risk management.*  
(London)

Implementation of this recommendation was reported to be completed by all FSB jurisdictions in the 2016 IMN survey. Given this, the reporting of progress with respect to this recommendation will take place every 2-3 years henceforth (i.e. in 2019 or 2020).

I. Hedge funds

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2. Establishment of international information sharing framework

**G20/FSB Recommendations**

We ask the FSB to develop mechanisms for cooperation and information sharing between relevant authorities in order to ensure effective oversight is maintained when a fund is located in a different jurisdiction from the manager. We will, cooperating through the FSB, develop measures that implement these principles by the end of 2009. (London)

**Remarks**

Jurisdictions should indicate the progress made in implementing recommendation 6 in IOSCO's [Report on Hedge Fund Oversight \(Jun 2009\)](#) on sharing information to facilitate the oversight of globally active fund managers.

In addition, jurisdictions should state whether they are:

- Signatory to the IOSCO MMoU in relation to cooperation in enforcement
- Signatory to bilateral agreements for supervisory cooperation that cover hedge funds and are aligned to the 2010 IOSCO [Principles Regarding Cross-border Supervisory Cooperation](#).

Jurisdictions can also refer to Principle 28 of the 2017 IOSCO Objectives and Principles of Securities Regulation, and take into account the outcomes of any recent FSAP/ROSC assessment against those Principles.

| Progress to date  |   |
|---|---|
| <input type="radio"/> Not applicable<br><input type="radio"/> Applicable but no action envisaged at the moment<br><input type="radio"/> Implementation ongoing<br><input checked="" type="radio"/> Implementation completed as of | <input type="text" value="22.07.2013"/> |
| If "Not applicable" or "Applicable but no action envisaged..." has been selected, please provide a brief justification<br><div style="background-color: #cccccc; height: 200px; width: 100%;"></div>                              |   |
| If "Implementation ongoing" has been selected, please specify<br><input type="radio"/> Draft in preparation, expected publication by <input type="text"/>   |   |
| <input type="radio"/> Draft published as of <input type="text"/>  |   |
| <input type="radio"/> Final rule or legislation approved and will come into force on <input type="text"/>   |   |
| <input type="radio"/> Final rule (for part of the reform) in force since <input type="text"/>   |   |

I. Hedge funds

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2. Establishment of international information sharing framework

| Progress to date   |  |
|--|--|
| <p><b>Issue is being addressed through</b></p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation / Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions)</p> <p><b>Short description of the content of the legislation/regulation/guideline/other actions</b></p> <p>As part of the requirements of Directive 2011/61/EU (AIFM Directive) concerning third countries (Chapter VII), ESMA had, as of 16 September 2016, negotiated 44 cooperation arrangements, on behalf of EU Member States, with non-EU authorities. These cooperation arrangements - taking the form of bilateral Memoranda of Understanding (MoUs) - provide for cooperation and information sharing mechanisms between EU and non-EU authorities in a wide range of situations (e.g. delegation of investment management to non-EU entities, marketing of non-EU AIFs in France, etc.) including in cases where a passport for non-EU AIFs may apply. These agreements gradually entered into force. In addition, articles 50 and 53 of the AIFM Directive set some general principles of cooperation between competent authorities of EU Member States when carrying out their duties under the AIFM Directive, and in the context of monitoring the potential systemic consequences of AIFM activities. Subject to specific conditions a disclosure of information to third countries is possible.</p> | <p>If this recommendation has not yet been fully implemented, please provide <b>reasons for delayed implementation</b></p> |

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**2. Establishment of international information sharing framework**

| Update and next steps  |   |
|--|---|
| <p>Highlight <b>main developments since last year's survey</b></p> <p>No changes since last survey</p> | <p><b>Planned actions</b> (if any) and expected commencement date</p> |

| Relevant web-links                            |  |
|---|--|
| <p><b>Web-links to relevant documents</b></p> | <p><a href="https://www.esma.europa.eu/convergence/international-cooperation">https://www.esma.europa.eu/convergence/international-cooperation</a></p> |

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3. Enhancing counterparty risk management

**G20/FSB Recommendations**

Supervisors should require that institutions which have hedge funds as their counterparties have effective risk management, including mechanisms to monitor the funds' leverage and set limits for single counterparty exposures. (London)

Supervisors will strengthen their existing guidance on the management of exposures to leveraged counterparties. (Rec. II.17, FSF 2008)

**Remarks**

Jurisdictions should indicate specific policy measures taken for enhancing counterparty risk management and strengthening their existing guidance on the management of exposure to leveraged counterparties.

In particular, jurisdictions should indicate whether they have implemented recommendation 3 of the IOSCO [Report on Hedge Fund Oversight \(Jun 2009\)](#).

In their responses, jurisdictions should not provide information on the portion of this recommendation that pertains to Basel III capital requirements for counterparty risk, since it is [monitored separately](#) by the BCBS.

Jurisdictions can also refer to Principle 28 of the 2017 IOSCO [Objectives and Principles of Securities Regulation](#), and take into account the outcomes of any recent FSAP/ROSC assessment against those Principles.

**Progress to date**

- Not applicable
- Applicable but no action envisaged at the moment
- Implementation ongoing
- Implementation completed as of

If "Not applicable" or "Applicable but no action envisaged..." has been selected, please provide a brief justification

If "Implementation ongoing" has been selected, please specify

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- Final rule or legislation approved and will come into force on
- Final rule (for part of the reform) in force since

I. Hedge funds

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3. Enhancing counterparty risk management

| Progress to date   |  |
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| <p><b>Issue is being addressed through</b></p> <p><input type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation / Guidelines</p> <p><input checked="" type="checkbox"/> Other actions (such as supervisory actions)</p> <p><b>Short description of the content of the legislation/regulation/guideline/other actions</b></p> <p>As of the 1st of January 2014, the institutions (in the sense of CRD4) are subject to enhanced counterparty credit risk requirements as specified in the legislative texts transposing Basel III requirements in the European banking legislation (the so-called "CRD IV package"). These texts impose risk management that enable institutions to assess the counterparty risks of exposures at both individual and portfolio levels. It also requires institutions to establish and maintain a comprehensive and effective counterparty credit risk management framework and set internal credit and trading limits. The French Prudential Supervision and Resolution Authority (ACPR) conducts a semi-annual review of French banks' exposures to leverage counterparties based on data provided by banks.</p> | <p>If this recommendation has not yet been fully implemented, please provide <b>reasons for delayed implementation</b></p> |

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**3. Enhancing counterparty risk management**

| Update and next steps  |   |
|--|---|
| <p><b>Highlight main developments since last year's survey</b></p> <p>No changes since last survey</p> | <p><b>Planned actions (if any) and expected commencement date</b></p> |

| Relevant web-links                            |  |
|---|--|
| <p><b>Web-links to relevant documents</b></p> | <p>CRR: <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02013R0575-20130628&amp;from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02013R0575-20130628&amp;from=EN</a><br/>           CRD IV: <a href="http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:176:0338:0436:EN:PDF">http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:176:0338:0436:EN:PDF</a></p> |



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## 4. Strengthening of regulatory and capital framework for monolines

**G20/FSB Recommendations**

*Insurance supervisors should strengthen the regulatory and capital framework for monoline insurers in relation to structured credit. (Rec II.8, FSF 2008)*

Implementation of this recommendation was reported to be completed by all FSB jurisdictions in the 2016 IMN survey. Given this, the reporting of progress with respect to this recommendation will take place every 2-3 years henceforth (i.e. in 2019 or 2020).

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5. Strengthening of supervisory requirements or best practices for investment in structured products

**G20/FSB Recommendations**

Regulators of institutional investors should strengthen the requirements or best practices for firms' processes for investment in structured products. (Rec II.18, FSF 2008)

**Remarks**

Jurisdictions should indicate the due diligence policies, procedures and practices applicable for investment managers when investing in structured finance instruments and other policy measures taken for strengthening best practices for investment in structured finance products.

Jurisdictions may reference IOSCO's report on [Good Practices in Relation to Investment Managers' Due Diligence When Investing in Structured Finance Instruments \(Jul 2009\)](#).

Jurisdictions may also refer to the Joint Forum report on [Credit Risk Transfer-Developments from 2005-2007 \(Jul 2008\)](#).

**Progress to date**

Not applicable  
 Applicable but no action envisaged at the moment  
 Implementation ongoing  
 Implementation completed as of 01.2016

If "Not applicable" or "Applicable but no action envisaged..." has been selected, please provide a brief justification

If "Implementation ongoing" has been selected, please specify

Draft in preparation, expected publication by [redacted]  
 Draft published as of [redacted]  
 Final rule or legislation approved and will come into force on [redacted]  
 Final rule (for part of the reform) in force since [redacted]

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| <b>5. Strengthening of supervisory requirements or best practices for investment in structured products</b> |                    |     |    |   |    |     |      |    |   |

| Progress to date   |   |
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| <p><b>Issue is being addressed through</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Primary / Secondary legislation</li> <li><input checked="" type="checkbox"/> Regulation / Guidelines</li> <li><input type="checkbox"/> Other actions (such as supervisory actions)</li> </ul> <p><b>Short description of the content of the legislation/regulation/guideline/other actions</b></p> <p>EU legislation relating to the (re)insurance sector (Solvency II) introduces requirements on insurers' ability to invest in securitisation, which are consistent with those being introduced in the banking sector.</p> <p>Insurance and reinsurance undertakings investing in securitisation will be subject to: (i) Capital Requirements for all types of investments calibrated as a 99.5% value at risk over a 1 year time horizon - with lower risk factors on simpler, more transparent and standardised securitisation products ; (ii) Higher market risk capital requirements for re-securitization exposures; (iii) A prudent person principle that limits insurance and reinsurance undertakings' investments to assets that they can properly identify, measure, monitor, manage, control and report. Insurance and reinsurance undertakings are only allowed to invest in securitisation after conducting comprehensive due diligence; (iv) insurance and reinsurance undertakings should have specific governance arrangements when investing in securitisation (written monitoring procedures, specific reporting to management body• ); (v) In order to ensure transparency, requirements to publicly disclose information any investments in securitisation In the banking sector: The CRD III reinforced the capital requirements for the risks associated with securitisation transactions, particularly when these structures involve several levels of securitisation, and increased the support given to securitisation vehicles. These provisions were implemented in 2011. They are maintained in the CRR, which is now the applicable legal framework. Please note that here Structured Finance Instruments is understood more broadly than securitisation.</p> <p>In the Asset management sector Article 17 of 2011/61/EU (AIFM Directive) and articles 50 to 53 of the AIFM implementing regulation set requirements for AIF managers investing in securitised products, including the requirement for retained interest by the originator, and qualitative requirements applicable to managers assuming exposure to such products (monitoring of the credit risk of a securitisation position, stress tests).</p> <p>The European Commission adopted on 30 September 2015 a package of two legislative proposals. Both regulations were adopted in december 2017 and will enter into force on 1/1/2019:</p> <ol style="list-style-type: none"> <li>1) A Securitisation Regulation that will apply to all securitisations and include due diligence, risk retention and transparency rules together with the criteria for Simple, Transparent and Standardised ("STS") Securitisations. STS criteria are in line with the BCBS-IOSCO principles adopted in July 2015;</li> <li>2) A proposal to amend the Capital Requirements Regulation to make the capital treatment of securitisations for banks and investment firms more risk-sensitive and able to reflect properly the specific features of STS securitisations.</li> </ol> <p>For insurance sector: Solvency II entered into application on 1 January 2016. In addition, the European Commission adopted on 30 September 2015 a Securitisation Regulation that will apply to all securitisations and include due diligence, risk retention and transparency rules together with the criteria for Simple, Transparent an</p> | <p>If this recommendation has not yet been fully implemented, please provide <b>reasons for delayed implementation</b></p> <div style="background-color: #e0e0e0; height: 150px; width: 100%;"></div> |

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**5. Strengthening of supervisory requirements or best practices for investment in structured products**

| Update and next steps  |   |
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| <p><b>Highlight main developments since last year's survey</b></p> <p>No changes since last survey</p> | <p><b>Planned actions (if any) and expected commencement date</b></p> |

| Relevant web-links                            |   |
|---|---|
| <p><b>Web-links to relevant documents</b></p> | <p>For insurance sector: <a href="http://ec.europa.eu/finance/insurance/solvency/solvency2/index_en.htm">http://ec.europa.eu/finance/insurance/solvency/solvency2/index_en.htm</a><br/>           AIFM Directive implementing regulation: <a href="http://ec.europa.eu/internal_market/investment/docs/20121219-directive/delegated-act_en.pdf">http://ec.europa.eu/internal_market/investment/docs/20121219-directive/delegated-act_en.pdf</a><br/>           IOSCO Final report on the Regulation of Retail Structured Products: <a href="http://www.iosco.org/library/pubdocs/pdf">http://www.iosco.org/library/pubdocs/pdf</a><br/>           ESMA's Opinion "Structured Retail Products - Good practices for product governance arrangements" (27/03/14):<br/> <a href="https://www.esma.europa.eu/sites/default/files/library/2015/11/2014-332_esma_opinion_u_structured_retail_products_-_good_practices_for_product_governance_arrangements.pdf">https://www.esma.europa.eu/sites/default/files/library/2015/11/2014-332_esma_opinion_u_structured_retail_products_-_good_practices_for_product_governance_arrangements.pdf</a></p> |

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**6. Enhanced disclosure of securitised products**

**G20/FSB Recommendations**

Securities market regulators should work with market participants to expand information on securitised products and their underlying assets. (Rec. III.10-III.13, FSF 2008)

**Remarks**

Jurisdictions should indicate the policy measures and other initiatives taken in relation to enhancing disclosure of securitised products, including working with industry and other authorities to continue to standardise disclosure templates and considering measures to improve the type of information that investors receive.

See, for reference, IOSCO’s [Report on Principles for Ongoing Disclosure for Asset-Backed Securities \(Nov 2012\)](#), [Disclosure Principles for Public Offerings and Listings of Asset-Backed Securities \(Apr 2010\)](#) and [report on Global Developments in Securitisation Regulations \(November 2012\)](#), in particular recommendations 4 and 5.

**Progress to date**

Not applicable  
 Applicable but no action envisaged at the moment  
 Implementation ongoing  
 Implementation completed as of 20.06.2013

If “Not applicable” or “Applicable but no action envisaged...” has been selected, please provide a brief justification

If “Implementation ongoing” has been selected, please specify

Draft in preparation, expected publication by [redacted]  
 Draft published as of [redacted]  
 Final rule or legislation approved and will come into force on [redacted]  
 Final rule (for part of the reform) in force since [redacted]

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| <b>6. Enhanced disclosure of securitised products</b> |                    |     |    |   |    |     |      |    |   |

| Progress to date  |  |
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| <p><b>Issue is being addressed through</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Primary / Secondary legislation</li> <li><input type="checkbox"/> Regulation / Guidelines</li> <li><input type="checkbox"/> Other actions (such as supervisory actions)</li> </ul> <p><b>Short description of the content of the legislation/regulation/guideline/other actions</b></p> <div style="background-color: #e0e0e0; padding: 5px;"> <p>EU Regulation 462/2013 (CRA 3 Regulation) under its article 8b provides that "the issuer, the originator and the sponsor of a structured finance instrument established in the Union shall jointly disclose to the public information on the credit quality and performance of the underlying assets of the structured finance instrument, the structure of the securitisation transaction, the cash flows and any collateral supporting a securitisation exposure as well as any information that is necessary to conduct comprehensive and well informed stress tests on the cash flows and collateral values supporting the underlying exposures". Art. 8b of the CRA3 Regulation was complemented by a Delegated Regulation (EU) 2015/3 adopted by the Commission on 30 September 2014 which specifies: (a) the information that must be published in order to comply with art. 8b of the CRA III Regulation;(b) the frequency with which the information referred to in point (a)is to be updated; (c) the presentation of the information referred to in point (a) by means of standardised disclosure templates. This also complies with "IOSCO Report on Global Developments in Securitisation Regulation"s recommendations" to provide standardisation and transparency of securitisation products to assist investors in making informed decisions (a) by working domestically with other authorities (such as central banks) and (b) by making sure that investors are provided with the necessary information to make an informed investment decision at the point of sale and on an on-going basis.</p> </div> |  |

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**6. Enhanced disclosure of securitised products**

**Update and next steps**

**Highlight main developments since last year's survey**

Securitisation Regulation entered into force in January 2018. The new comprehensive securitisation regime will be applicable as of 1 January 2019

**Planned actions (if any) and expected commencement date**

[Empty area for planned actions and expected commencement date]

**Relevant web-links**

**Web-links to relevant documents**

Delegated Regulation (EU) 2015/3 Securitisation Regulation proposal

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**7. Consistent, consolidated supervision and regulation of SIFIs**

**G20/FSB Recommendations**

All firms whose failure could pose a risk to financial stability must be subject to consistent, consolidated supervision and regulation with high standards. (Pittsburgh)

**Remarks**

Jurisdictions should indicate: (1) whether they have identified domestic SIFIs and, if so, in which sectors (banks, insurers, other etc.); (2) whether the names of the identified SIFIs have been publicly disclosed; and (3) the types of policy measures taken for implementing consistent, consolidated supervision and regulation of the identified SIFIs.

Jurisdictions should not provide details on policy measures that pertain to higher loss absorbency requirements for G/D-SIFIs, since these are monitored separately by the BCBS.

See, for reference, the following documents:

BCBS

- [Framework for G-SIFIs \(Jul 2013\)](#)
- [Framework for D-SIFIs \(Oct 2012\)](#)

IAIS

- [Global Systemically Important Insurers: Policy Measures \(Jul 2013\) and revised assessment methodology \(updated in June 2016\)](#)
- [IAIS SRMP guidance - FINAL \(Dec 2013\)](#)
- [Guidance on Liquidity management and planning \(Oct 2014\)](#)

FSB

- [Framework for addressing SIFIs \(Nov 2011\)](#)

**Progress to date**

Not applicable  
 Applicable but no action envisaged at the moment  
 Implementation ongoing  
 Implementation completed as of 01.01.2016

If “Not applicable” or “Applicable but no action envisaged...” has been selected, please provide a brief justification

If “Implementation ongoing” has been selected, please specify

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**7. Consistent, consolidated supervision and regulation of SIFIs**

| Progress to date   |  |
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| <p><b>Issue is being addressed through</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Primary / Secondary legislation</li> <li><input checked="" type="checkbox"/> Regulation / Guidelines</li> <li><input type="checkbox"/> Other actions (such as supervisory actions)</li> </ul> <p><b>Short description of the content of the legislation/regulation/guideline/other actions</b></p> <p>In the banking sector : all the international requirements applicable to G-SIBs and D-SIBs are part of the EU regulatory framework and have come into force 1st of January 2016. All the G-SIFIs and D-SIFIs are supervised on a consistent and consolidated basis. ACPR contributes actively to the Data Gaps Initiative, developed by FSB. French G-SIBs report data to the International Data Hub is managed by the BIS. Solvency II has entered in force and will improve the consolidated supervision of insurance groups on several aspects, and since 2013 the preparation of this new framework has been a priority for ACPR. In the insurance sector, AXA was publicly identified as a GSII. There is a Crisis Management Group, recovery plan, resolution plans, LRMP, SRMP that comply with international standards (FSB / IAIS), but nothing is yet provided in the "hard" French law. Consolidated supervision of AXA is performed by the College of Supervisors independently of the designation of AXA as GSII.</p> | <p>If this recommendation has not yet been fully implemented, please provide <b>reasons for delayed implementation</b></p> |

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| <b>7. Consistent, consolidated supervision and regulation of SIFIs</b> |    |                            |    |   |    |     |      |    |   |

**Update and next steps**

**Highlight main developments since last year's survey**

G-SIBs designation by ACPR took place for the 5th consecutive year. The list follows the FSB list and the fully phased-in G-SIB buffers are the same as last year.

D-SIBs have also been identified in France for the 3rd year and a D-SIB buffer is applicable to them since 01/01/16. The fully phased-in D-SIB buffers are the same as last year.

In the absence of a list of designated G-SIIs in 2017, the policy measures associated with the G-SII status stay in force. As AXA has been identified as a GSII between 2013 and 2016, the following actions have been taken for AXA: establishment of a Crisis Management Group, production of recovery and resolution plans, liquidity management plan (LRMP) and a systemic risk management plan (SRMP), which comply with international standards (FSB / IAIS). Since 2017, the French legal framework imposes to the biggest insurance groups and companies to build recovery plans. As for other European and international insurance groups, the consolidated supervision of AXA is performed by the College of Supervisors. The ACPR provides on its website the link to the list of G-SIIs published by the FSB.

**Planned actions (if any) and expected commencement date**

**Relevant web-links**

**Web-links to relevant documents**

- [https://acpr.banque-france.fr/sites/default/files/liste\\_eism\\_2017\\_au\\_titre\\_de\\_2016\\_0.pdf](https://acpr.banque-france.fr/sites/default/files/liste_eism_2017_au_titre_de_2016_0.pdf)
- [https://acpr.banque-france.fr/sites/default/files/liste\\_eism\\_2017\\_au\\_titre\\_de\\_2016\\_0.pdf](https://acpr.banque-france.fr/sites/default/files/liste_eism_2017_au_titre_de_2016_0.pdf)
- [https://acpr.banque-france.fr/sites/default/files/20171201-g-sii\\_list\\_for\\_reference\\_date-2016.pdf](https://acpr.banque-france.fr/sites/default/files/20171201-g-sii_list_for_reference_date-2016.pdf)
- [https://acpr.banque-france.fr/sites/default/files/20171201\\_o-sii\\_list.pdf](https://acpr.banque-france.fr/sites/default/files/20171201_o-sii_list.pdf)
- [https://acpr.banque-france.fr/sites/default/files/20161213\\_o-sii\\_methodology.pdf](https://acpr.banque-france.fr/sites/default/files/20161213_o-sii_methodology.pdf)
- Methodology for assessing D-SIBs [http://acpr.banque-france.fr/fileadmin/user\\_upload/acp/publications/registre-officiel/20161213\\_methodologie\\_A-EIS.PDF](http://acpr.banque-france.fr/fileadmin/user_upload/acp/publications/registre-officiel/20161213_methodologie_A-EIS.PDF)

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**8. Establishing supervisory colleges and conducting risk assessments**

**G20/FSB Recommendations**

*To establish the remaining supervisory colleges for significant cross-border firms by June 2009. (London)*

*We agreed to conduct rigorous risk assessment on these firms [G-SIFIs] through international supervisory colleges. (Seoul)*

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| Implementation of this recommendation was reported to be completed by all FSB jurisdictions in the 2017 IMN survey. The BCBS and IAIS will be monitoring implementation progress in this area with respect to banks and insurers respectively. |

I II III. Enhancing supervision IV V VI VII VIII IX X

9. Supervisory exchange of information and coordination

**G20/FSB Recommendations**

*To quicken supervisory responsiveness to developments that have a common effect across a number of institutions, supervisory exchange of information and coordination in the development of best practice benchmarks should be improved at both national and international levels. (Rec V.7 , FSF 2008)*

*Enhance the effectiveness of core supervisory colleges. (FSB 2012)*

**Remarks**

Jurisdictions should include any feedback received from recent FSAPs/ROSC assessments on the [September 2012](#) BCP 3 (Cooperation and collaboration) and BCP 14 (Home-host relationships). Jurisdictions should also indicate any steps taken since the last assessment in this area, particularly in response to relevant FSAP/ROSC recommendations.

Jurisdictions should describe any recent or planned regulatory, supervisory or legislative changes that contribute to the sharing of supervisory information (e.g. within supervisory colleges or via bilateral or multilateral MoUs).

**Progress to date**

Not applicable  
 Applicable but no action envisaged at the moment  
 Implementation ongoing  
 Implementation completed as of 01.01.2014 (Banking)

If “Not applicable” or “Applicable but no action envisaged...” has been selected, please provide a brief justification

If “Implementation ongoing” has been selected, please specify

Draft in preparation, expected publication by [redacted]  
 Draft published as of [redacted]  
 Final rule or legislation approved and will come into force on [redacted]  
 Final rule (for part of the reform) in force since [redacted]

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| <b>9. Supervisory exchange of information and coordination</b> |    |                            |    |   |    |     |      |    |   |

| Progress to date  |  |
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| <p><b>Issue is being addressed through</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Primary / Secondary legislation</li> <li><input checked="" type="checkbox"/> Regulation / Guidelines</li> <li><input checked="" type="checkbox"/> Other actions (such as supervisory actions)</li> </ul> <p><b>Short description of the content of the legislation/regulation/guideline/other actions</b></p> <p>Between EEA countries, EU directives have established a legal framework for the exchange of information which is mandatory (including colleges of supervisors). For cooperation with other countries, ACPR has also the power to conclude bilateral agreements with the authorities of these countries subject to the condition that these authorities are entrusted with duties similar to those entrusted in France to the ACPR and provided that such authorities are themselves bound by an obligation of professional secrecy.</p> <p>In the banking sector : the ACPR has concluded a number of bilateral agreements for banking supervision with non EEA countries, among which Canada, the US, Switzerland, Korea, Qatar, Dubaï, Monténégro, Mexico, Serbia, Comoros, Taïwan, Morocco, China, Guinea, West African Monetary Union, Central African Banking Commission, India and Vietnam.</p> <p>In the insurance sector :</p> <p>In the insurance sector, Solvency II has come into force as from 1st January 2016. It has contributed to improving the consolidated supervision of insurance groups on several aspects. Since 2013, the preparation of this new framework has been a priority for the ACPR and since 2016 monitoring the implementation and improving the quality of Solvency 2 data is high on the ACPR agenda. For each international insurance group subject to the Solvency II Directive, the ACPR, as group supervisor, has established a global Coordination Arrangement between all EEA and main non EEA supervisors involved in the supervision of each said international group; EIOPA is also signatory of most of these CoArs. ACPR is also member of Coordination Agreements for groups where it is not Lead Supervisor. ACPR has also signed bilateral MoUs with non EEA supervisory authorities, including the New York State Insurance Department (USA), APRA (Australia) and CIMA (regional supervisor for 14 countries of West &amp; Central Africa). More globally ACPR has also signed the IAIS MMoU. ACPR is fully involved in national and international initiatives aimed at enhancing supervisory coordination. In the framework of the AIFM Directive, cooperation between EU and non-EU authorities in the supervision of alternative investment fund managers was fostered through ESMA"s negotiation of cooperation arrangements with non-EU authorities (bilateral MoUs)</p> | <p>If this recommendation has not yet been fully implemented, please provide <b>reasons for delayed implementation</b></p> |

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**9. Supervisory exchange of information and coordination**

**Update and next steps**

Highlight **main developments since last year's survey**

No change since last survey

**Planned actions** (if any) and expected commencement date

**Relevant web-links**

**Web-links to relevant documents**

<https://acpr.banque-france.fr/international/la-cooperation-au-niveau-international/les-accords-de-cooperation.html>

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10. Strengthening resources and effective supervision

**G20/FSB Recommendations**

*We agreed that supervisors should have strong and unambiguous mandates, sufficient independence to act, appropriate resources, and a full suite of tools and powers to proactively identify and address risks, including regular stress testing and early intervention. (Seoul)*

*Supervisors should see that they have the requisite resources and expertise to oversee the risks associated with financial innovation and to ensure that firms they supervise have the capacity to understand and manage the risks. (FSF 2008)*

*Supervisory authorities should continually re-assess their resource needs; for example, interacting with and assessing Boards require particular skills, experience and adequate level of seniority. (Rec. 3, FSB 2012)*

**Remarks**

Jurisdictions should indicate any steps taken on recommendations 1, 2, 3, 4 and 7 (i.e. supervisory strategy, engagement with banks, improvements in banks' IT and MIS, data requests, and talent management strategy respectively) in the FSB [thematic peer review report on supervisory frameworks and approaches to SIBs \(May 2015\)](#).

**Progress to date**

Not applicable  
 Applicable but no action envisaged at the moment  
 Implementation ongoing  
 Implementation completed as of 01.01.2016 for the imp+

If "Not applicable" or "Applicable but no action envisaged..." has been selected, please provide a brief justification

If "Implementation ongoing" has been selected, please specify

Draft in preparation, expected publication by [redacted]  
 Draft published as of [redacted]  
 Final rule or legislation approved and will come into force on [redacted]  
 Final rule (for part of the reform) in force since [redacted]

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| <b>10. Strengthening resources and effective supervision</b> |    |                            |    |   |    |     |      |    |   |

| Progress to date  |  |
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| <p><b>Issue is being addressed through</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Primary / Secondary legislation</li> <li><input checked="" type="checkbox"/> Regulation / Guidelines</li> <li><input checked="" type="checkbox"/> Other actions (such as supervisory actions)</li> </ul> <p><b>Short description of the content of the legislation/regulation/guideline/other actions</b></p> <p>Insurance Sector: Solvency 2 Directive and delegated regulation, which provide a comprehensive set of rules concerning effective insurance supervision, entered into force on 01.01.2016. This directive has been completed by a number of guidelines.</p> <p>Banking Sector: The EU has put in place a comprehensive set of rules concerning effective supervision. Directive 2013/36/EU provides for the general powers and measures that supervisors shall have (art. 102-104), the power to impose penalties (art. 18 and 64) and the procedure to follow to carry out banks' supervision (art. 97-98).</p> <p>Among the powers entrusted to supervisors, there is the obligation to carry out stress testing at least annually (Art. 100). Primary legislation has been complemented principally by the EBA guidelines on supervisory review and evaluation process, applicable since January 2016.</p> | <p>If this recommendation has not yet been fully implemented, please provide <b>reasons for delayed implementation</b></p> |



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| <b>10. Strengthening resources and effective supervision</b> |    |                            |    |   |    |     |      |    |   |

| Update and next steps  |   |
|--|---|
| <p><b>Highlight main developments since last year's survey</b></p> <p>For the banks directly supervised by the ECB, the SSM has adopted three high-level priorities to guide its supervision throughout 2017. The aim is to ensure that directly supervised banks address key risks effectively. The priorities are: (i) Business models and profitability drivers, (ii) Credit risk, with a focus on NPLs and concentrations, (iii) Risk management. In addition, all significant institutions in the euro area are assessed against a common yardstick and following a harmonized SREP methodology. Quantitative and qualitative elements were combined through a constrained expert judgement approach, which ensures consistency, avoided supervisory forbearance and accounted for institutions' specificities.</p> | <p><b>Planned actions (if any) and expected commencement date</b></p> |

| Relevant web-links                            |   |
|---|---|
| <p><b>Web-links to relevant documents</b></p> | <p><a href="https://www.eba.europa.eu/documents/10180/935249/EBA-GL-2014-13+(Guidelines+on+SREP+methodologies+and+processes).pdf">https://www.eba.europa.eu/documents/10180/935249/EBA-GL-2014-13+(Guidelines+on+SREP+methodologies+and+processes).pdf</a>.</p> |

11. Establishing regulatory framework for macro-prudential oversight

**G20/FSB Recommendations**

*Amend our regulatory systems to ensure authorities are able to identify and take account of macro-prudential risks across the financial system including in the case of regulated banks, shadow banks and private pools of capital to limit the build up of systemic risk. (London)*

*Ensure that national regulators possess the powers for gathering relevant information on all material financial institutions, markets and instruments in order to assess the potential for failure or severe stress to contribute to systemic risk. This will be done in close coordination at international level in order to achieve as much consistency as possible across jurisdictions. (London)*

**Remarks**

Please describe major changes in the institutional arrangements for macroprudential policy (structures, mandates, powers, reporting etc.) that have taken place in your jurisdiction since the global financial crisis.

Please indicate whether an assessment has been conducted with respect to the adequacy of powers to collect and share relevant information among national authorities on financial institutions, markets and instruments to assess the potential for systemic risk. If so, please describe identified gaps in the powers to collect information, and whether any follow-up actions have been taken.

**Progress to date**

Not applicable  
 Applicable but no action envisaged at the moment  
 Implementation ongoing  
 Implementation completed as of

If “Not applicable” or “Applicable but no action envisaged...” has been selected, please provide a brief justification

If “Implementation ongoing” has been selected, please specify

Draft in preparation, expected publication by   
 Draft published as of   
 Final rule or legislation approved and will come into force on   
 Final rule (for part of the reform) in force since

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**11. Establishing regulatory framework for macro-prudential oversight**

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| <b>Progress to date</b>   |  |
| <p><b>Issue is being addressed through</b></p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation / Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions)</p> <p><b>Short description of the content of the legislation/regulation/guideline/other actions</b></p> <p>Macroprudential authority mandate and powers have been set up through primary and secondary legislation, all binding powers are effectively applicable.</p> <p>Following an assessment, information collection powers have been further specified and strengthened - binding powers have been extended to cover credit origination by non banks (funds) and to address potential sector wide/systemic developments in the insurance sector.</p> | <p>If this recommendation has not yet been fully implemented, please provide <b>reasons for delayed implementation</b></p> |

**11. Establishing regulatory framework for macro-prudential oversight**

| Update and next steps   |   |
|---|---|
| <p><b>Highlight main developments since last year's survey</b></p> <p>No changes since last survey.</p> | <p><b>Planned actions (if any) and expected commencement date</b></p> |

| Relevant web-links                            |  |
|---|--|
| <p><b>Web-links to relevant documents</b></p> |  |

12. Enhancing system-wide monitoring and the use of macro-prudential instruments

G20/FSB Recommendations

Authorities should use quantitative indicators and/or constraints on leverage and margins as macro-prudential tools for supervisory purposes. Authorities should use quantitative indicators of leverage as guides for policy, both at the institution-specific and at the macro-prudential (system-wide) level. (Rec. 3.1, FSF 2009)

We are developing macro-prudential policy frameworks and tools to limit the build-up of risks in the financial sector, building on the ongoing work of the FSB-BIS-IMF on this subject. (Cannes)

Authorities should monitor substantial changes in asset prices and their implications for the macro economy and the financial system. (Washington)

Remarks

Please describe at a high level (including by making reference to financial stability or other reports, where available) the types of methodologies, indicators and tools used to assess systemic risks.

Please indicate the use of tools for macroprudential purposes over the past year, including: the objective for their use; the process to select, calibrate and apply them; and the approaches used to assess their effectiveness.

See, for reference, the following documents:

- FSB-IMF-BIS progress report to the G20 on [Macroprudential policy tools and frameworks \(Oct 2011\)](#)
- CGFS report on [Operationalising the selection and application of macroprudential instruments \(Dec 2012\)](#)
- IMF staff papers on [Macroprudential policy, an organizing framework \(Mar 2011\)](#), [Key Aspects of Macroprudential policy \(Jun 2013\)](#), and [Staff Guidance on Macroprudential Policy \(Dec 2014\)](#)
- IMF-FSB-BIS paper on [Elements of Effective Macroprudential Policies: Lessons from International Experience \(Aug 2016\)](#)
- CGFS report on [Experiences with the ex ante appraisal of macroprudential instruments \(Jul 2016\)](#)
- CGFS report on [Objective-setting and communication of macroprudential policies \(Nov 2016\)](#)

**Progress to date**

Not applicable  
 Applicable but no action envisaged at the moment  
 Implementation ongoing  
 Implementation completed as of

If “Not applicable” or “Applicable but no action envisaged...” has been selected, please provide a brief justification

If “Implementation ongoing” has been selected, please specify

Draft in preparation, expected publication by   
 Draft published as of   
 Final rule or legislation approved and will come into force on   
 Final rule (for part of the reform) in force since

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## 12. Enhancing system-wide monitoring and the use of macro-prudential instruments

| Progress to date   |   |
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| <p><b>Issue is being addressed through</b></p> <p><input type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation / Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions)</p> <p><b>Short description of the content of the legislation/regulation/guideline/other actions</b></p> <div style="background-color: #cccccc; height: 400px; width: 100%;"></div> | <p>If this recommendation has not yet been fully implemented, please provide <b>reasons for delayed implementation</b></p> <div style="background-color: #cccccc; height: 200px; width: 100%;"></div> |

**12. Enhancing system-wide monitoring and the use of macro-prudential instruments**

**Update and next steps**

|   |   |
|---|---|
| <p>Highlight <b>main developments since last year's survey</b></p> <p>No changes since last survey.</p> | <p><b>Planned actions</b> (if any) and expected commencement date</p> |
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**Relevant web-links**

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| <p><b>Web-links to relevant documents</b></p> |  |
|---|--|

13. Enhancing regulation and supervision of CRAs

G20/FSB Recommendations

All CRAs whose ratings are used for regulatory purposes should be subject to a regulatory oversight regime that includes registration. The regulatory oversight regime should be established by end 2009 and should be consistent with the IOSCO Code of Conduct Fundamentals. (London)

National authorities will enforce compliance and require changes to a rating agency’s practices and procedures for managing conflicts of interest and assuring the transparency and quality of the rating process.

CRAs should differentiate ratings for structured products and provide full disclosure of their ratings track record and the information and assumptions that underpin the ratings process.

The oversight framework should be consistent across jurisdictions with appropriate sharing of information between national authorities, including through IOSCO. (London)

Regulators should work together towards appropriate, globally compatible solutions (to conflicting compliance obligations for CRAs) as early as possible in 2010. (FSB 2009)

We encourage further steps to enhance transparency and competition among credit rating agencies. (St Petersburg)

Remarks

Jurisdictions should indicate the policy measures undertaken for enhancing regulation and supervision of CRAs including registration, oversight and sharing of information between national authorities. They should also indicate their consistency with the following IOSCO document:

- [Code of Conduct Fundamentals for Credit Rating Agencies \(Mar 2015\)](#) (including on governance, training and risk management)

Jurisdictions may also refer to the following IOSCO documents:

- Principle 22 of [Principles and Objectives of Securities Regulation \(Jun 2010\)](#) which calls for registration and oversight programs for CRAs
- [Statement of Principles Regarding the Activities of Credit Rating Agencies \(Sep 2003\)](#)
- [Final Report on Supervisory Colleges for Credit Rating Agencies \(Jul 2013\)](#)

Jurisdictions should take into account the outcomes of any recent FSAP/ROSC assessment against those principles.

**Progress to date**

Not applicable  
 Applicable but no action envisaged at the moment  
 Implementation ongoing  
 Implementation completed as of 20.06.2013

If “Not applicable” or “Applicable but no action envisaged...” has been selected, please provide a brief justification

If “Implementation ongoing” has been selected, please specify

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**13. Enhancing regulation and supervision of CRAs**

| Progress to date  |  |
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| <p><b>Issue is being addressed through</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Primary / Secondary legislation</li> <li><input type="checkbox"/> Regulation / Guidelines</li> <li><input type="checkbox"/> Other actions (such as supervisory actions)</li> </ul> <p><b>Short description of the content of the legislation/regulation/guideline/other actions</b></p> <p>The AMF is no longer competent as ESMA has exclusive powers for supervision (registration and oversight) of CRAs since entry into force of Regulation 513/2011 (CRA 2). Reform effective with implementation of EU CRA Regulation 1060/2009 (CRA 1), 513/2011 (CRA 2) and lastly of 462/2013 (CRA3) entered into force on 21 May 2013. Starting with CRA 1, reforms in the EU implements regulatory requirements to ensure IOSCO Code of Conduct's main objectives regarding quality and integrity of the rating process, independence and conflicts of interest management/prevention, transparency and timeliness of ratings disclosure, management of confidential information. CRA 2 reinforces enforcement and sanctioning powers (conferred to ESMA). CRA 3 is adding new rules for CRAs, but goes beyond by also introducing measures for actors other than CRAs (notably regarding reduction of reliance on credit ratings and securitisation disclosure).</p> | <p>If this recommendation has not yet been fully implemented, please provide <b>reasons for delayed implementation</b></p> |

I II III IV V. Improving oversight of credit rating agencies (CRAs) VI VII VIII IX X

13. Enhancing regulation and supervision of CRAs

Update and next steps

| Highlight main developments since last year's survey  | Planned actions (if any) and expected commencement date |
|---|---|
| <p>The AMF still participates in policy developments at ESMA level as a member of the Technical Committee and at IOSCO level as a member of CRA Policy Committee (Committee 6). Hence, as a member of the TC CRA, AMF took notably part in 2016-2017 to the technical advice on CRA regulatory equivalence (pursuant to additional equivalence requirements introduced by CRA3), the update of the Guidelines on the endorsement regime under Article 4(3) of CRA Regulation (published in November 2017), the new Q&amp;A on the 24-hour publication rule, the thematic report on fees charged by CRAs and trade repositories (released in January 2018) or the Guidelines on the validation and review of CRAs' methodologies under Articles 8(3) and 8(5) of the CRA Regulation (released in March 2017).</p> <p>The Technical Committee has also been working on the practical supervision of Articles 8c and 8d of the CRA Regulation. The former article provides a mandatory double credit rating for securitisation vehicles, while the latter aims to increase competition in the markets for credit ratings by encouraging issuers to use smaller credit rating agencies when they use multiple CRAs (strictly speaking "consider" appointing at least a small CRA and "document" when such appointment is not made). In that respect, ESMA has issued on April 2017 a supervisory briefing dedicated to building a common approach among national authorities on these provisions.</p> <p>As a member of the C6, the AMF has participated to the finalisation of the work on "other CRA Products" (the report of which has been published in October 2017) and the new project initiated on cloud computing and outsourcing.</p> | <p></p>   |

Relevant web-links

| Web-links to relevant documents |  |
|---------------------------------|--|
|                                 | <p>EU legislation on credit rating agencies:</p> <ul style="list-style-type: none"> <li>- Text of the Directive : <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013L0014&amp;from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013L0014&amp;from=EN</a></li> <li>- <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013R0462&amp;from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013R0462&amp;from=EN</a></li> <li>- <a href="http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:282:0023:0026:en:PDF">http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:282:0023:0026:en:PDF</a></li> </ul> <p>ESMA's guidelines:</p> <ul style="list-style-type: none"> <li>- <a href="https://www.esma.europa.eu/sites/default/files/library/2016-1575_final_report_on_guidelines_on_the_validation_and_review_of_cras_methodologies_4.pdf">https://www.esma.europa.eu/sites/default/files/library/2016-1575_final_report_on_guidelines_on_the_validation_and_review_of_cras_methodologies_4.pdf</a></li> </ul> |

14. Reducing the reliance on ratings

G20/FSB Recommendations

We also endorsed the FSB’s principles on reducing reliance on external credit ratings. Standard setters, market participants, supervisors and central banks should not rely mechanistically on external credit ratings. (Seoul)

Authorities should check that the roles that they have assigned to ratings in regulations and supervisory rules are consistent with the objectives of having investors make independent judgment of risks and perform their own due diligence, and that they do not induce uncritical reliance on credit ratings as a substitute for that independent evaluation. (Rec IV. 8, FSF 2008)

We reaffirm our commitment to reduce authorities’ and financial institutions’ reliance on external credit ratings, and call on standard setters, market participants, supervisors and central banks to implement the agreed FSB principles and end practices that rely mechanistically on these ratings. (Cannes)

We call for accelerated progress by national authorities and standard setting bodies in ending the mechanistic reliance on credit ratings and encourage steps that would enhance transparency of and competition among credit rating agencies. (Los Cabos)

We call on national authorities and standard setting bodies to accelerate progress in reducing reliance on credit rating agencies, in accordance with the FSB roadmap. (St Petersburg)

Remarks

Jurisdictions should indicate the steps they are taking to address the recommendations of the [May 2014 FSB thematic peer review report on the implementation of the FSB Principles for Reducing Reliance on Credit Ratings](#), including by implementing their [agreed action plans](#). Any revised action plans should be sent to the FSB Secretariat so that it can be posted on the FSB website.

Jurisdictions may refer to the following documents:

- FSB [Principles for Reducing Reliance on CRA Ratings \(Oct 2010\)](#)
- FSB [Roadmap for Reducing Reliance on CRA Ratings \(Nov 2012\)](#)
- BCBS [Basel III: Finalising post-crisis reforms \(Dec 2017\)](#)
- IAIS [ICP guidance](#) 16.9 and 17.8.25
- IOSCO [Good Practices on Reducing Reliance on CRAs in Asset Management \(Jun 2015\)](#)
- IOSCO [Sound Practices at Large Intermediaries Relating to the Assessment of Creditworthiness and the Use of External Credit Ratings \(Dec 2015\)](#).

**Progress to date**

Not applicable  
 Applicable but no action envisaged at the moment  
 Implementation ongoing  
 Implementation completed as of 06.2013

If “Not applicable” or “Applicable but no action envisaged...” has been selected, please provide a brief justification

If “Implementation ongoing” has been selected, please specify

Draft in preparation, expected publication by [redacted]  
 Draft published as of [redacted]  
 Final rule or legislation approved and will come into force on [redacted]  
 Final rule (for part of the reform) in force since [redacted]

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### 14. Reducing the reliance on ratings

| Progress to date   |  |
|--|--|
| <p><b>Issue is being addressed through</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Primary / Secondary legislation</li> <li><input checked="" type="checkbox"/> Regulation / Guidelines</li> <li><input type="checkbox"/> Other actions (such as supervisory actions)</li> </ul> <p><b>Short description of the content of the legislation/regulation/guideline/other actions</b></p> <p>At the European level, the "CRA III 3 package" comprised of notably the Directive 2013/14/UE and Regulation N°462/2013 came into force in June 2013. This Regulation provided that financial entities should assess the creditworthiness of the assets or issuers they invest in and should not overly or mechanistically relies on external credit ratings. At the national level, these regulatory developments led to the following modifications: - the French Monetary and Financial Code - Comofi (article L. 533-10-1) - primary legislation which now mentions that asset managers should not rely exclusively on external ratings provided by CRAs to assess the credit quality of their assets; - the AMF General Regulation (Book III, article 1 and 1bis) section on risk management - to reflect the provisions included in the Comofi; - and the instructions 2011-19, 2011-20, 2011-21, 2011-22, 2011-23 which apply to UCITS, AIFs, employee savings funds, venture capital, real estate funds, private equity funds respectively, where the references to external credit ratings have been removed and replaced by the need for the manager to assess the credit risk of the assets included in the fund portfolio. Finally, the AMF supervision teams have the responsibility to ensure that these changes were duly reflected in the prospectus and legal documentation of the funds. To raise managers' awareness, they have organized a series of calls and meetings sent a letter to trade bodies and developed guidance to accompany asset managers in their efforts in that regard.</p> <p>As a member of the TC CRA, the AMF has participated in drafting the report on good supervisory practices for reducing sole and mechanistic reliance on credit ratings by the Joint Committee of the three European Supervisory Authorities (ESMA - EIOPA - EBA). This report is directed at the Sectorial Competent Authorities for a wide range of financial institutions, such as credit institutions, investment firms, asset management companies and insurance undertakings. The purpose of the Report is to provide for a level of cross sectoral consistency in the implementation of elements of the CRA Regulation regarding overreliance on credit ratings. To achieve this, the Report recommends a common framework of non-binding good supervisory practices for SCAs. The supervisory practices are structured into two groups. The first set of good practices proposes a general framework for SCAs with regards to how they should monitor the use of credit ratings by their supervised entities, what alternative and complementary measures are available and how SCAs can address issues of nature, scale and complexity. The second set of good practices provides greater detail on how mechanistic reliance on credit ratings can be addressed within the different business processes of SCAs' supervised entities.</p> | <p>If this recommendation has not yet been fully implemented, please provide <b>reasons for delayed implementation</b></p> |

I II III IV V. Improving oversight of credit rating agencies (CRAs) VI VII VIII IX X

14. Reducing the reliance on ratings

Update and next steps

| Highlight main developments since last year's survey | Planned actions (if any) and expected commencement date |
|--|---|
| <p>No change since last survey</p>                   |   |

Relevant web-links

| Web-links to relevant documents |  |
|---------------------------------|--|
|                                 | <p>EU Regulation No 462/2013: <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013R0462&amp;from=FR">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013R0462&amp;from=FR</a> EU Directive 2013/14/UE<br/> <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013L0014&amp;from=FR">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013L0014&amp;from=FR</a> Art L533-10-1 of the French Monetary and Financial Code:<br/> <a href="http://www.legifrance.gouv.fr/affichCodeArticle.do?cidTexte=LEGITEXT000006072026&amp;idArticle=LEGIARTI000027794628">http://www.legifrance.gouv.fr/affichCodeArticle.do?cidTexte=LEGITEXT000006072026&amp;idArticle=LEGIARTI000027794628</a><br/>                     AMF General Regulation: <a href="http://www.amf-france.org/Reglementation/Reglement-general-et-instructions/Reglement-general-en-vigueur/Reglement-general.html?category=Livre+III+-+Prestataires&amp;currentLivreRG=3">http://www.amf-france.org/Reglementation/Reglement-general-et-instructions/Reglement-general-en-vigueur/Reglement-general.html?category=Livre+III+-+Prestataires&amp;currentLivreRG=3</a><br/>                     AMF Instruction No 2011-19: <a href="http://www.amf-france.org/Reglementation/Doctrine/Doctrine-list/Doctrine.html?category=II+-+Produits+de+placement&amp;docId=workspace%2011-19-19">http://www.amf-france.org/Reglementation/Doctrine/Doctrine-list/Doctrine.html?category=II+-+Produits+de+placement&amp;docId=workspace%</a></p> |

15. Consistent application of high-quality accounting standards

G20/FSB Recommendations

Regulators, supervisors, and accounting standard setters, as appropriate, should work with each other and the private sector on an ongoing basis to ensure consistent application and enforcement of high-quality accounting standards. (Washington)

Remarks

Jurisdictions should indicate the accounting standards that they follow and whether (and on what basis) they are of a high and internationally acceptable quality (e.g. equivalent to IFRSs as published by the IASB), and provide accurate and relevant information on financial position and performance. They should also explain the system they have for enforcement of consistent application of those standards.

Jurisdictions may want to refer to their jurisdictional profile prepared by the IFRS Foundation, which can be accessed at: <http://www.ifrs.org/Use-around-the-world/Pages/Analysis-of-the-G20-IFRS-profiles.aspx>.

As part of their response on this recommendation, jurisdictions should indicate the policy measures taken for appropriate application of fair value recognition, measurement and disclosure.

In addition, jurisdictions should set out any steps they intend to take (if appropriate) to foster transparent and consistent implementation of the new accounting requirements for the measurement of expected credit losses on financial assets that are being introduced by the IASB and FASB.

See, for reference, the following BCBS documents:

- [Supervisory guidance for assessing banks' financial instrument fair value practices \(Apr 2009\)](#)
- [Guidance on credit risk and accounting for expected credit losses \(Dec 2015\)](#)
- [Regulatory treatment of accounting provisions - interim approach and transitional arrangements \(March 2017\)](#)

**Progress to date**

Not applicable  
 Applicable but no action envisaged at the moment  
 Implementation ongoing  
 Implementation completed as of 01.01.2005

If “Not applicable” or “Applicable but no action envisaged...” has been selected, please provide a brief justification

If “Implementation ongoing” has been selected, please specify

Draft in preparation, expected publication by [redacted]  
 Draft published as of [redacted]  
 Final rule or legislation approved and will come into force on [redacted]  
 Final rule (for part of the reform) in force since [redacted]

I II III IV V VI. Enhancing and aligning accounting standards VII VIII IX X

15. Consistent application of high-quality accounting standards

| Progress to date   |  |
|--|--|
| <p><b>Issue is being addressed through</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Primary / Secondary legislation</li> <li><input checked="" type="checkbox"/> Regulation / Guidelines</li> <li><input checked="" type="checkbox"/> Other actions (such as supervisory actions)</li> </ul> <p><b>Short description of the content of the legislation/regulation/guideline/other actions</b></p> <p>ACCOUNTING REGULATION IN FRANCE In France, statutory annual financial statements are prepared in accordance with French accounting standards (IFRS have not been authorized), which are compliant with the European accounting directive (2013/34/UE). Consolidated financial statements are prepared according to French accounting standards or IFRS, depending on whether the company is listed on a regulated market or not: IFRS are applicable to consolidated financial statements of publicly traded companies on a regulated market. This results from the European IAS regulation 1606/2002. In addition, France also authorises (on the basis of the option provided by the European Regulation) other companies to establish their consolidated financial statements under IFRS. The Autorité des Normes Comptables (ANC), the French accounting standard setter, was created by Ordinance in January 2009 and its missions relate both to French accounting standards and IFRS. With regards to French accounting standards, ANC is responsible for establishing the authoritative accounting regulations applicable to: French entities issuing statutory accounts: businesses of all size, banks, insurance, asset management entities, associations (not-for-profit), trade unions, cooperatives• Consolidated accounts of French groups that are not subject to the European IFRS Regulation (not listed on a regulated market). There are three tiers of authoritative sources in French accounting standards: 1) the legal level (limited and general), 2) the regulatory level (detailed, decided at ANC"s Board level, enforceable following official publication by Minister"s decision), 3) The commentary level (more detailed, decided at ANC"s Board level, guidance nature, currently under review).</p> <p>With regards to international standards, ANC is participating in international and European debates/negotiations relating to IFRS. Pursuant to the Maystadt reform (2014), ANC is a member of the European Financial Reporting Advisory Group (EFRAG), providing support and expertise to the EU Commission in the assessment of the endorsement of IFRS. ANC is represented at each of the 3 tiers of the EFRAG"s governance (General Assembly, Board, Technical Expert Group). ANC is also the supporting advisor of the French government to the ARC (Accounting Regulatory Committee). ANC is shaped as a platform to gather all different views in relation to the IFRS. ANC"s positions supported by all interested French stakeholders reflect the general interest and answer to the various consultations of the IASB, IFRIC or IFRS Foundation (Discussion Papers, Exposure Drafts). ANC has been a member of the Accounting Standards Advisory Forum (ASAF) of IASB since July 2015. ASAF is the advisory forum gathering the 12 main accounting standards setting players (national and regional) organised by the IASB and meeting every three months. ANC also regularly liaises with other accounting national standards-setters (NSS) through international accounting bodies related to the IFRS Foundation (International Forum of Accounting Standards Setters, World Standards Setters). ANC is also building up bilateral relationships with other NSSs in and outside of Europe (US, Japan, China, Canada and Australia). The goal of these bilateral relationships is to establish a regular flow of information, to exchange views on major topics (accounting standards, governance of standard setting, • ) and to stimulate cooperation when appropriate.</p> | <p>If this recommendation has not yet been fully implemented, please provide <b>reasons for delayed implementation</b></p> |

I II III IV V VI. Enhancing and aligning accounting standards VII VIII IX X

**15. Consistent application of high-quality accounting standards**

**Update and next steps**

**Highlight main developments since last year's survey**

As member of the EFRAG, ANC actively participated in 2017 in the preparation of the Endorsement Advice on IFRS 16, the new standard for Leases replacing IAS 17 from 2019 on, as well as the endorsement of the amendments to IFRS 4 allowing entities undertaking insurance activities to defer the application of IFRS 9. EFRAG's assessment has been based on a detailed analysis of EU endorsement criteria including additional matters for consideration added by the EU Commission. Moreover, additional criteria (as suggested by the Maystadt report) have been considered in assessing whether the new standard is conducive to the European public good: the new standard should not endanger financial stability and must not hinder the economic development of the Union. ANC is also developing and financing research in accounting matters in order to underpin its works and positions. Since 2010, ANC has been financing more than 20 accounting research projects conducted by academics. ANC organises an Annual Symposium on Accounting Research. The 7th Symposium was held on 11th December 2017 in Paris and its theme was: « Accounting and Digitalisation».

**Planned actions (if any) and expected commencement date**

**Relevant web-links**

**Web-links to relevant documents**

<http://www.anc.gouv.fr/cms/sites/anc/accueil/recherche/etats-generaux-de-la-recherche-c/6emes-etats-generaux--2016.html>  
<http://www.anc.gouv.fr/cms/sites/anc/accueil/normes-internationales/historique-des-positions.default.html?displayTab=2016&>



16. Enhancing guidance to strengthen banks' risk management practices, including on liquidity and foreign currency funding risks

G20/FSB Recommendations

Regulators should develop enhanced guidance to strengthen banks' risk management practices, in line with international best practices, and should encourage financial firms to re-examine their internal controls and implement strengthened policies for sound risk management. (Washington)

National supervisors should closely check banks' implementation of the updated guidance on the management and supervision of liquidity as part of their regular supervision. If banks' implementation of the guidance is inadequate, supervisors will take more prescriptive action to improve practices. (Rec. II.10, FSF 2008)

Regulators and supervisors in emerging markets will enhance their supervision of banks' operation in foreign currency funding markets. (FSB 2009)

We commit to conduct robust, transparent stress tests as needed. (Pittsburgh)

Remarks

Jurisdictions should indicate the measures taken in the following areas:

- guidance to strengthen banks' risk management practices, including BCBS good practice documents ([Corporate governance principles for banks](#), [External audit of banks](#), and the [Internal audit function in banks](#));
- measures to monitor and ensure banks' implementation of the BCBS [Principles for Sound Liquidity Risk Management and Supervision \(Sep 2008\)](#);
- measures to supervise banks' operations in foreign currency funding markets;<sup>1</sup> and
- extent to which they undertake stress tests and publish their results.

Jurisdictions should not provide any updates on the implementation of Basel III liquidity requirements (and other recent standards such as capital requirements for CCPs), since these are [monitored separately by the BCBS](#).

<sup>1</sup> Only the emerging market jurisdictions that are members of the FSB should respond to this specific recommendation.

**Progress to date**

Not applicable  
 Applicable but no action envisaged at the moment  
 Implementation ongoing  
 Implementation completed as of 01.01.2014

If "Not applicable" or "Applicable but no action envisaged..." has been selected, please provide a brief justification

If "Implementation ongoing" has been selected, please specify

Draft in preparation, expected publication by [redacted]  
 Draft published as of [redacted]  
 Final rule or legislation approved and will come into force on [redacted]  
 Final rule (for part of the reform) in force since [redacted]

**16. Enhancing guidance to strengthen banks' risk management practices, including on liquidity and foreign currency funding risks**

| Progress to date   |  |
|--|--|
| <p><b>Issue is being addressed through</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Primary / Secondary legislation</li> <li><input checked="" type="checkbox"/> Regulation / Guidelines</li> <li><input type="checkbox"/> Other actions (such as supervisory actions)</li> </ul> <p><b>Short description of the content of the legislation/regulation/guideline/other actions</b></p> <p>The Basel III agreement 2008 are implemented into EU law by the CRD IV Package which is made up of a Directive (Directive 2013/36/EU) and a Regulation (Regulation (EU) No 575/2013). These prudential rules introduced in the two legislative texts have been applied since 1 January 2014. In particular, both texts contain provisions strengthening the requirements regarding risk management practices, including the management of liquidity risks, of credit institutions and investment firms. Pursuant to Directive 2013/36/EU supervisory authorities are required to review the arrangements, strategies, processes and mechanisms implemented by institutions and ensure that their risk management frameworks provide for sound management and coverage of their risks under the Pillar 2 approach. If not, supervisory authorities are allowed to apply supervisory measures to non-compliant institutions and take actions to address any situations of non-compliance. Other Regulations complementing the CRDIV package have been adopted, amongst which a Commission Implementing Regulation on additional liquidity monitoring metrics that entered into force in March 2016. In December 2013, EBA adopted guidelines on Pillar 2 capital measures for lending in foreign currencies. These guidelines, incorporated in those related to SREP, address the recommendation made by the ESRB (European Systemic Risk Board), following its 2011 Report on lending in foreign currencies. These guidelines specify the method to be used by supervisory authorities where FX lending risk is deemed to be material and where capital measures are deemed to be an appropriate method of treating this risk. In December 2014, EBA published Guidelines on common procedures and methodologies for the supervisory review and evaluation process (SREP) (EBA/GL/2014/13). These Guidelines aim to provide supervisory authorities with a common European framework for SREP and risk assessment under Pillar 2. These guidelines explain how to assess the various risks to which banks are exposed, including FX lending and liquidity risks, as well as the governance and internal control framework of banks for identifying, managing, monitoring risks. These guidelines entered into force in January 2016. The provisions of the Regulation on liquidity coming from the Regulation (EU) No 575/2013 have been complemented by the adoption of the Commission Delegated Regulation (EU) No 2015/61 of 10 October 2014 to supplement Regulation (EU) 575/2013 with regard to liquidity coverage requirement for credit institutions that specifies the method of calculation of the LCR and that entered into force in October 2015 and by the adoption of the Commission Implementing Regulation (EU) 2016/313 of 1 March 2016 amending Implementing Regulation (EU) No 680/2014 with regard to additional monitoring metrics for liquidity reporting that entered into force in March 2016. Highlight main developments since last year's survey: The EBA published on 3 November 2016 Guidelines on ICAAP and ILAAP information. These Guidelines introduce a common approach and specify what information regarding ICAAP and ILAAP Competent Authorities should collect from institutions in order to perform their assessments of ICAAP and ILAAP frameworks as well as the reliability of ICAAP and ILAAP capital and liquidity estimates in a consistent manner following the criteria specified in the EBA SREP Guidelines. In 2016, EBA has issued Guidelines on communication between competent authorities and auditors (EBA/GL/2016/05) in order to facilitate an effective dialogue. ACPR has already started to implement these guidelines and has declared to be compliant in January 2017. In both sectors, stress tests are regularly carried out, through in particular coordinated exercises, at the EU level, by the 2 relevant authorities, the EIOPA and EBA.</p> | <p>If this recommendation has not yet been fully implemented, please provide <b>reasons for delayed implementation</b></p> |

I II III IV V VI VII. Enhancing risk management VIII IX X

16. Enhancing guidance to strengthen banks' risk management practices, including on liquidity and foreign currency funding risks

Update and next steps

| Highlight main developments since last year's survey | Planned actions (if any) and expected commencement date |
|--|---|
| <p>No changes since last survey.</p>                 |   |

Relevant web-links

| Web-links to relevant documents |   |
|---------------------------------|---|
|                                 | <p><a href="http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32013L0036">http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32013L0036</a><br/>                     Regulation (EU) No 575/2013 <a href="http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32013R0575">http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32013R0575</a><br/>                     Commission Delegated Regulation on the LCR: <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1458140192307&amp;uri=CELEX:32015R0061">http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1458140192307&amp;uri=CELEX:32015R0061</a><br/>                     Commission Implementing Regulation on Additional Liquidity Monitoring Metrics : <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32016R0313">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32016R0313</a><br/>                     EBA Guidelines on SREP <a href="http://www.eba.europa.eu/documents/10180/935249/EBA-GL-2014-13+%28Guidelines+on+SREP+methodologies+and+processes%29.pdf">http://www.eba.europa.eu/documents/10180/935249/EBA-GL-2014-13+%28Guidelines+on+SREP+methodologies+and+processes%29.pdf</a><br/>                     EBA Guidelines on ICAAP and ILAAP: <a href="https://www.eba.europa.eu/documents/10180/1645611/Final+report+on+Guidelines+on+ICAAP+ILAAP+%28EBA-GL-2016-10%29.pdf">https://www.eba.europa.eu/documents/10180/1645611/Final+report+on+Guidelines+on+ICAAP+ILAAP+%28EBA-GL-2016-10%</a></p> |

17. Enhanced risk disclosures by financial institutions

G20/FSB Recommendations

Financial institutions should provide enhanced risk disclosures in their reporting and disclose all losses on an ongoing basis, consistent with international best practice, as appropriate. (Washington)

We encourage further efforts by the public and private sector to enhance financial institutions' disclosures of the risks they face, including the ongoing work of the Enhanced Disclosure Task Force. (St. Petersburg)

Remarks

Jurisdictions should indicate the status of implementation of the disclosures requirements of IFRSs (in particular IFRS 7 and 13) or equivalent. Jurisdictions may also use as reference the recommendations of the October 2012 report by the Enhanced Disclosure Task Force on [Enhancing the Risk Disclosures of Banks](#) and [Implementation Progress Report by the EDTF \(Dec 2015\)](#), and set out any steps they have taken to foster adoption of the EDTF Principles and Recommendations.

In addition, in light of the new IASB and FASB accounting requirements for expected credit loss recognition, jurisdictions should set out any steps they intend to take (if appropriate) to foster disclosures needed to fairly depict a bank's exposure to credit risk, including its expected credit loss estimates, and to provide relevant information on a bank's underwriting practices. Jurisdictions may use as reference the recommendations in the report by the Enhanced Disclosure Task Force on the [Impact of Expected Credit Loss Approaches on Bank Risk Disclosures \(Nov 2015\)](#), as well as the recommendations in Principle 8 of the BCBS [Guidance on credit risk and accounting for expected credit losses \(Dec 2015\)](#).

In their responses, jurisdictions should not provide information on the implementation of Basel III Pillar 3 requirements, since this is [monitored separately](#) by the BCBS.

**Progress to date**

Not applicable  
 Applicable but no action envisaged at the moment  
 Implementation ongoing  
 Implementation completed as of 01.01.2013 and 01.01.2014

If "Not applicable" or "Applicable but no action envisaged..." has been selected, please provide a brief justification

If "Implementation ongoing" has been selected, please specify

Draft in preparation, expected publication by [redacted]  
 Draft published as of [redacted]  
 Final rule or legislation approved and will come into force on [redacted]  
 Final rule (for part of the reform) in force since [redacted]

**17. Enhanced risk disclosures by financial institutions**

| Progress to date   |  |
|--|--|
| <p><b>Issue is being addressed through</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Primary / Secondary legislation</li> <li><input type="checkbox"/> Regulation / Guidelines</li> <li><input checked="" type="checkbox"/> Other actions (such as supervisory actions)</li> </ul> <p><b>Short description of the content of the legislation/regulation/guideline/other actions</b></p> <p>In the European Union largelisted banks are required to use IFRS for their consolidated accounts by virtue of the IAS Regulation and the subsequent adoption of individual IFRS standards. The most relevant standards for risk disclosure are IAS 32, IFRS 7 and IFRS 13 all adopted in the EU. IFRS 9 was endorsed by the EU through Commission Regulation (EU) 2016/2067 and has entered into force on January 1st 2018. The amendments to IFRS 4 permit entities that predominantly undertake insurance activities, (Commission Regulation (EU) 2017/1988) the option to defer the effective date of IFRS 9 until 1 January 2021.</p> <p>The objective of IFRS 9 is to improve the financial reporting of financial instruments by addressing concerns that arose in this area during the financial crisis. In particular, IFRS 9 responds to the G20's call to move to a more forward-looking model for the recognition of expected losses on financial assets. Adoption of IFRS 9 implied, by way of consequence, amendments to International Accounting Standard (IAS), notably IFRS 7 and IFRS 13. In particular, information in the notes is required on transition (IFRS 7.42I à 42S (i.e. information related to FTA) as well as information related to credit risk (IFRS 7.35A à 7.35N).</p> | <p>If this recommendation has not yet been fully implemented, please provide <b>reasons for delayed implementation</b></p> |

**17. Enhanced risk disclosures by financial institutions**

| Update and next steps   |   |
|---|---|
| <p><b>Highlight main developments since last year's survey</b></p> <p>In May 2017, the EBA adopted guidelines with a “comply or explain” status on expected credit loss (ECL) provisioning under IFRS 9. These guidelines make the “Basel guidance” applicable in the EU, including the recommendations in Principle 8.</p> <p>At the national level, ACPR declared to the EBA on November 8th 2017 to be compliant with EBA/GL/2017/06 on credit institutions' credit risk management practices and accounting for expected credit losses, and issued a public notice in this regard on November 17th.</p> | <p><b>Planned actions (if any) and expected commencement date</b></p> |

| Relevant web-links                            |  |
|---|--|
| <p><b>Web-links to relevant documents</b></p> | <p><a href="https://acpr.banque-france.fr/sites/default/files/media/2017/11/17/avis-acpr-orientations-gl-eba-2017-06.pdf">https://acpr.banque-france.fr/sites/default/files/media/2017/11/17/avis-acpr-orientations-gl-eba-2017-06.pdf</a></p> <p><a href="https://www.eba.europa.eu/documents/10180/1696202/Final+report+on+the+Guidelines+on+disclosure+requirements+under+Part+Eight+of+Regulation+575+2013+%28EBA-GL-2016-11%29.pdf">https://www.eba.europa.eu/documents/10180/1696202/Final+report+on+the+Guidelines+on+disclosure+requirements+under+Part+Eight+of+Regulation+575+2013+%28EBA-GL-2016-11%29.pdf</a></p> <p><a href="https://www.eba.europa.eu/documents/10180/1532063/EBA-CP-2016-10+%28CP+on+Guidelines+on+Accounting+for+Expected+Credit%29.pdf/33a54bcc-f462-4749-a982-5a53bb3e8c03">https://www.eba.europa.eu/documents/10180/1532063/EBA-CP-2016-10+%28CP+on+Guidelines+on+Accounting+for+Expected+Credit%29.pdf/33a54bcc-f462-4749-a982-5a53bb3e8c03</a></p> |

18. Strengthening of national deposit insurance arrangements

G20/FSB Recommendations

National deposit insurance arrangements should be reviewed against the agreed international principles, and authorities should strengthen arrangements where needed. (Rec. VI.9, FSF 2008)

Remarks

Jurisdictions that have not yet adopted an explicit national deposit insurance system should describe their plans to introduce such a system.

All other jurisdictions should describe any significant design changes in their national deposit insurance system since the issuance of the revised IADI [Core Principles for Effective Deposit Insurance Systems](#) (November 2014).

In addition, jurisdictions should indicate if they have carried out a self-assessment of compliance (based on IADI’s 2016 [Handbook](#)) with the revised Core Principles:

- If so, jurisdictions should highlight the main gaps identified and the steps proposed to address these gaps;
- If not, jurisdictions should indicate any plans to undertake a self-assessment exercise.

| Progress to date  |   |
|---|---|
| <input type="radio"/> Not applicable<br><input type="radio"/> Applicable but no action envisaged at the moment<br><input type="radio"/> Implementation ongoing<br><input checked="" type="radio"/> Implementation completed as of   | <div style="border: 1px solid gray; background-color: #e0e0e0; padding: 5px; display: inline-block;">03.07.2015</div> |
| <p>If “Not applicable” or “Applicable but no action envisaged...” has been selected, please provide a brief justification</p> <div style="background-color: #e0e0e0; height: 200px; width: 100%;"></div>  |   |
| <p>If “Implementation ongoing” has been selected, please specify</p> <input type="radio"/> Draft in preparation, expected publication by <div style="background-color: #e0e0e0; width: 100px; height: 15px;"></div><br><input type="radio"/> Draft published as of <div style="background-color: #e0e0e0; width: 100px; height: 15px;"></div><br><input type="radio"/> Final rule or legislation approved and will come into force on <div style="background-color: #e0e0e0; width: 150px; height: 15px;"></div><br><input type="radio"/> Final rule (for part of the reform) in force since <div style="background-color: #e0e0e0; width: 100px; height: 15px;"></div> |   |

**18. Strengthening of national deposit insurance arrangements**

| Progress to date   |  |
|--|--|
| <p><b>Issue is being addressed through</b></p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation / Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions)</p> <p><b>Short description of the content of the legislation/regulation/guideline/other actions</b></p> <p>The French Deposit Guarantee Scheme is already largely in line with the IADI Principles (latest change to regulations in September 2010). France has an explicit scheme managed by an autonomous structure (Fonds de Garantie des Dépôts - FGD). This scheme is compulsory for all banks licensed in France (Art. L. 312-14, Monetary and Financial Code). In addition to payout, the FGD can take preventative action, including the granting of liquidity lines or guarantees and the purchase of shares in a credit institution. The FGD is governed by a supervisory board made of elected representatives of the banking sector. The Chairperson of the Executive board has a specific agreement by the Ministry of Finance. Laws and regulations clearly define eligible deposits: up to a limit of EUR 100 000 per person and per institution, the FGD guarantees both on demand and time deposits in the currencies of the European Economic Area for both residents and non-residents. Non-financial companies are covered, but not banks, other non-bank financial companies, government and central administrative authorities. It is funded by ex-ante risk-based premiums levied from banks and taking into account the level of eligible deposits. The FGD can also borrow and raise additional premiums. Payout is triggered by the supervisor (ACP) and should occur within 20 to 30 days. The FGD has access to deposit data upon a request to intervene. Communication to the public includes an FGD website and information provided by banks. The FGD is subrogated in the rights of the beneficiaries of its intervention (Article L312-6) and thus shares in the proceeds of recoveries from the estate of the failed bank. The FGD may bring any action for damages against the de facto and de jure executives of the institutions it intervenes in to secure repayment of some or all of the sums it has paid (Article L.312-6). Finally, its mission had been reinforced since the FGD has become the French Resolution Fund (FGDR, Fonds de garantie des dépôts et de résolution) on 26 July 2013. Act n° 2013-672 of 26 July 2013 of banking separation and regulation gave it the capacity to intervene in resolution with new tools. Highlight main developments since last year's survey. The new DGS Directive which was adopted in April 2014 and entered into force on 2 July 2014 should be transposed by the Member States by 3 July 2015. The main modifications which have been carried out to French scheme in accordance to this directive relate to : - the funding of the FGDR; - the shortening to 7 days of legal proceedings for payout; - the extension of covered deposit to funds left in account in any currency; - the ability to conclude written cooperation agreements with other scheme given to FGDR.</p> | <p>If this recommendation has not yet been fully implemented, please provide <b>reasons for delayed implementation</b></p> |



I II III IV V VI VII VIII. Strengthening deposit insurance IX X

**18. Strengthening of national deposit insurance arrangements**

**Update and next steps**

| Highlight <b>main developments since last year's survey</b> | <b>Planned actions</b> (if any) and expected commencement date |
|---|--|
| <p>No changes since last survey.</p>                        |  |

**Relevant web-links**

| <b>Web-links to relevant documents</b> |  |
|--|--|
|  | <p>Relevant provisions of the Monetary and Financial Code (in French): <a href="http://www.legifrance.gouv.fr/affichCode.do;jsessionid=E7C20F10DC9F933ADDCD0870D1D66A42.tpdjo12v_1?idSectionTA=LEGISCTA000006170368&amp;cidTexte=LEGITEXT000006072026&amp;dateTexte=20130428">http://www.legifrance.gouv.fr/affichCode.do;jsessionid=E7C20F10DC9F933ADDCD0870D1D66A42.tpdjo12v_1?idSectionTA=LEGISCTA000006170368&amp;cidTexte=LEGITEXT000006072026&amp;dateTexte=20130428</a><br/>                     DGS Directive published in the OJ on 12/6/2014 : <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0049&amp;from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0049&amp;from=EN</a></p> |

19. Enhancing market integrity and efficiency

G20/FSB Recommendations

We must ensure that markets serve efficient allocation of investments and savings in our economies and do not pose risks to financial stability. To this end, we commit to implement initial recommendations by IOSCO on market integrity and efficiency, including measures to address the risks posed by high frequency trading and dark liquidity, and call for further work by mid-2012. (Cannes)

Remarks

Jurisdictions should indicate whether high frequency trading and dark pools exist in their national markets.

Jurisdictions should indicate the progress made in implementing the recommendations:

- in relation to dark liquidity, as set out in the IOSCO [Report on Principles for Dark Liquidity \(May 2011\)](#).
- on the impact of technological change in the IOSCO [Report on Regulatory Issues Raised by the Impact of Technological Changes on Market Integrity and Efficiency \(Oct 2011\)](#).
- on market structure made in the IOSCO Report on [Regulatory issues raised by changes in market structure \(Dec 2013\)](#).

| Progress to date  |
|---|
| <p> <input type="radio"/> Not applicable<br/> <input type="radio"/> Applicable but no action envisaged at the moment<br/> <input type="radio"/> Implementation ongoing<br/> <input checked="" type="radio"/> Implementation completed as of 03.01.2018 (MiFID 2)                 </p> <p>If “Not applicable” or “Applicable but no action envisaged...” has been selected, please provide a brief justification</p> <div style="background-color: #cccccc; height: 300px; width: 100%;"></div> <p>If “Implementation ongoing” has been selected, please specify</p> <p> <input type="radio"/> Draft in preparation, expected publication by [redacted]<br/> <input type="radio"/> Draft published as of [redacted]<br/> <input type="radio"/> Final rule or legislation approved and will come into force on [redacted]<br/> <input type="radio"/> Final rule (for part of the reform) in force since [redacted]                 </p> |

19. Enhancing market integrity and efficiency

| Progress to date  |  |
|---|--|
| <p><b>Issue is being addressed through</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Primary / Secondary legislation</li> <li><input checked="" type="checkbox"/> Regulation / Guidelines</li> <li><input type="checkbox"/> Other actions (such as supervisory actions)</li> </ul> <p><b>Short description of the content of the legislation/regulation/guideline/other actions</b></p> <p>The Market Abuse Regulation (MAR, entered into application on 3 July 2016) and the Markets in Financial Instruments Directive and Regulation (commonly referred to as the MiFID II framework, in application since 3 January 2018) have strongly enhanced the transparency and integrity of European financial markets, including for derivatives, commodity derivatives and OTC transactions. MiFID II also contains measures specifically targeted at investment firms that engage in algorithmic trading and algorithmic trading techniques.</p> <p>MiFID 2 aims at limiting dark trading and other broker crossing networks by setting a trading obligation for equities and by framing more strictly the waivers to pre-trade transparency for equity instruments. MiFID 2 also includes measures to address the risks posed by high frequency trading: firstly organisational requirements for trading venues and investment firms requiring effective systems and controls (for example "circuit breakers") and specific record keeping for high frequency trading; secondly a dynamic tick size regime enabling regulators to control high frequency trading activity through constraints on tick size.</p> <p>The Market Abuse Regulation (MAR) also increases the transparency and integrity of the derivatives and the commodity derivatives markets including OTC transactions.</p> | <p>If this recommendation has not yet been fully implemented, please provide <b>reasons for delayed implementation</b></p> |

19. Enhancing market integrity and efficiency

| Update and next steps   |   |
|---|---|
| <p><b>Highlight main developments since last year's survey</b></p> <p>Adoption of the outstanding secondary legislation including implementing measures under MAR and MiFID II/MIFIR. ESMA provides ongoing support for implementation of MAR and MIFID/MIFIR through supervisory guidance in form of guidelines and Q&amp;As as well as opinions (position limits and ancillary services).<br/>Successful entry into application on January 2018 without a disruptive impact of financial markets.</p> | <p><b>Planned actions (if any) and expected commencement date</b></p> |

| Relevant web-links                     |  |
|--|--|
| <b>Web-links to relevant documents</b> | <p>MiFID II<br/> <a href="https://ec.europa.eu/info/law/markets-financial-instruments-mifid-ii-directive-2014-65-eu/amending-and-supplementary-acts/implementing-and-delegated-acts_en#relatedlinks">https://ec.europa.eu/info/law/markets-financial-instruments-mifid-ii-directive-2014-65-eu/amending-and-supplementary-acts/implementing-and-delegated-acts_en#relatedlinks</a><br/>                     MiFIR<br/> <a href="https://ec.europa.eu/info/law/markets-financial-instruments-mifir-regulation-eu-no-600-2014/amending-and-supplementary-acts/implementing-and-delegated-acts_en#relatedlinks">https://ec.europa.eu/info/law/markets-financial-instruments-mifir-regulation-eu-no-600-2014/amending-and-supplementary-acts/implementing-and-delegated-acts_en#relatedlinks</a><br/>                     MAR: <a href="https://ec.europa.eu/info/law/market-abuse-regulation-eu-no-596-2014/amending-and-supplementary-acts/implementing-and-delegated-acts_en#relatedlinks">https://ec.europa.eu/info/law/market-abuse-regulation-eu-no-596-2014/amending-and-supplementary-acts/implementing-and-delegated-acts_en#relatedlinks</a></p> |

**20. Regulation and supervision of commodity markets**

**G20/FSB Recommendations**

*We need to ensure enhanced market transparency, both on cash and financial commodity markets, including OTC, and achieve appropriate regulation and supervision of participants in these markets. Market regulators and authorities should be granted effective intervention powers to address disorderly markets and prevent market abuses. In particular, market regulators should have, and use formal position management powers, including the power to set ex-ante position limits, particularly in the delivery month where appropriate, among other powers of intervention. We call on IOSCO to report on the implementation of its recommendations by the end of 2012. (Cannes)*

*We also call on Finance ministers to monitor on a regular basis the proper implementation of IOSCO's principles for the regulation and supervision on commodity derivatives markets and encourage broader publishing and unrestricted access to aggregated open interest data. (St. Petersburg)*

**Remarks**

Jurisdictions should indicate whether commodity markets of any type exist in their national markets.

Jurisdictions should indicate the policy measures taken to implement the principles found in IOSCO's report on [Principles for the Regulation and Supervision of Commodity Derivatives Markets \(Sep 2011\)](#).

Jurisdictions, in responding to this recommendation, may also make use of the responses contained in the [update to the survey](#) published by IOSCO in September 2014 on the principles for the regulation and supervision of commodity derivatives markets.

**Progress to date**

- Not applicable
- Applicable but no action envisaged at the moment
- Implementation ongoing
- Implementation completed as of 03.01.2018

If "Not applicable" or "Applicable but no action envisaged..." has been selected, please provide a brief justification

If "Implementation ongoing" has been selected, please specify

- Draft in preparation, expected publication by [redacted]
- Draft published as of [redacted]
- Final rule or legislation approved and will come into force on [redacted]
- Final rule (for part of the reform) in force since [redacted]

**20. Regulation and supervision of commodity markets**

| Progress to date  |  |
|---|--|
| <p><b>Issue is being addressed through</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Primary / Secondary legislation</li> <li><input checked="" type="checkbox"/> Regulation / Guidelines</li> <li><input checked="" type="checkbox"/> Other actions (such as supervisory actions)</li> </ul> <p><b>Short description of the content of the legislation/regulation/guideline/other actions</b></p> <p>In line with the G20 objectives, the revised MiFID, alongside with the revised Market Abuse Directive (MAD) aims at ensuring enhanced market transparency and integrity for commodity derivatives markets. In Europe, MiFID 2 introduces position reporting and position limits both on listed and OTC derivatives, in order to prevent market abuse and support orderly pricing and settlement conditions. MIFID 2 also introduced an ancillary activity exemption. MAD extends and adjusts the market abuse regime for commodity markets, in particular, towards market abuses across spot and financial markets. In France, the 2013 Banking law has already transposed by anticipation these tools for agricultural commodity derivatives.</p> | <p>If this recommendation has not yet been fully implemented, please provide <b>reasons for delayed implementation</b></p> <div style="background-color: #e0e0e0; height: 100%; width: 100%;"></div> |

**20. Regulation and supervision of commodity markets**

| Update and next steps  |   |
|--|---|
| <p><b>Highlight main developments since last year's survey</b></p> <p>MiFID2 has entered into force on 3rd January 2018 and the delegated acts setting the rules for the implementation of the new framework are being applied since then. These include the following elements:</p> <ol style="list-style-type: none"> <li>1. The methodology allowing national competent authorities to set limits on the positions that any person can hold at any time on a commodity derivative;</li> <li>2. The methodology allowing non-financial entities to calculate the size of their non-hedging activities to notify to their competent authorities that these are ancillary to their main activity (or, in the contrary, to ask for a license as investment firm);</li> <li>3. The reporting standards for the publication by platforms of Commitment of Trades reports.</li> </ol> <p>Furthermore, at the national level the French AMF has set limits for all commodity derivatives traded on platforms under its supervision and has the supervisory powers to ensure the respect of these limits by all entities trading on these markets.</p> | <p><b>Planned actions (if any) and expected commencement date</b></p> |

| Relevant web-links                     |  |
|--|--|
| <b>Web-links to relevant documents</b> | <p>MiFID II<br/> <a href="https://ec.europa.eu/info/law/markets-financial-instruments-mifid-ii-directive-2014-65-eu/amending-and-supplementary-acts/implementing-and-delegated-acts_en#relatedlinks">https://ec.europa.eu/info/law/markets-financial-instruments-mifid-ii-directive-2014-65-eu/amending-and-supplementary-acts/implementing-and-delegated-acts_en#relatedlinks</a></p> <p>MiFIR<br/> <a href="https://ec.europa.eu/info/law/markets-financial-instruments-mifir-regulation-eu-no-600-2014/amending-and-supplementary-acts/implementing-and-delegated-acts_en#relatedlinks">https://ec.europa.eu/info/law/markets-financial-instruments-mifir-regulation-eu-no-600-2014/amending-and-supplementary-acts/implementing-and-delegated-acts_en#relatedlinks</a></p> <p>MAR: <a href="https://ec.europa.eu/info/law/market-abuse-regulation-eu-no-596-2014/amending-and-supplementary-acts/implementing-and-delegated-acts_en#relatedlinks">https://ec.europa.eu/info/law/market-abuse-regulation-eu-no-596-2014/amending-and-supplementary-acts/implementing-and-delegated-acts_en#relatedlinks</a></p> |

**21. Reform of financial benchmarks**

**G20/FSB Recommendations**

*We support the establishment of the FSB's Official Sector Steering Group to coordinate work on the necessary reforms of financial benchmarks. We endorse IOSCO's Principles for Financial Benchmarks and look forward to reform as necessary of the benchmarks used internationally in the banking industry and financial markets, consistent with the IOSCO Principles. (St. Petersburg)*

Collection of information on this recommendation will continue to be deferred given the forthcoming FSB progress report on implementation of FSB recommendations in this area, and ongoing IOSCO work to review the implementation of the IOSCO Principles for Financial Benchmarks.



22. Enhancing financial consumer protection

G20/FSB Recommendations

We agree that integration of financial consumer protection policies into regulatory and supervisory frameworks contributes to strengthening financial stability, endorse the FSB report on consumer finance protection and the high level principles on financial consumer protection prepared by the OECD together with the FSB. We will pursue the full application of these principles in our jurisdictions. (Cannes)

Remarks

Jurisdictions should describe progress toward implementation of the OECD’s [G-20 high-level principles on financial consumer protection \(Oct 2011\)](#).

Jurisdictions may also refer to OECD’s [September 2013 and September 2014 reports](#) on effective approaches to support the implementation of the High-level Principles. The effective approaches are of interest across all financial services sectors – banking and credit; securities; insurance and pensions – and consideration should be given to their cross-sectoral character when considering implementation.

Jurisdictions should, where necessary, indicate any changes or additions that have been introduced as a way to support the implementation of the High-level Principles, to address particular national terminology, situations or determinations.

**Progress to date**

Not applicable  
 Applicable but no action envisaged at the moment  
 Implementation ongoing  
 Implementation completed as of

If “Not applicable” or “Applicable but no action envisaged...” has been selected, please provide a brief justification

If “Implementation ongoing” has been selected, please specify

Draft in preparation, expected publication by   
 Draft published as of   
 Final rule or legislation approved and will come into force on   
 Final rule (for part of the reform) in force since

22. Enhancing financial consumer protection

| Progress to date   |  |
|--|--|
| <p><b>Issue is being addressed through</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Primary / Secondary legislation</li> <li><input checked="" type="checkbox"/> Regulation / Guidelines</li> <li><input checked="" type="checkbox"/> Other actions (such as supervisory actions)</li> </ul> <p><b>Short description of the content of the legislation/regulation/guideline/other actions</b></p> <p>Insurance Distribution Directive (ex. "Insurance Mediation Directive") The Insurance Distribution Directive (IDD) aims at deepening the internal market in insurance distribution and provides for a more effective protection of consumers when purchasing insurance products. Further rules are expected to specify the principles laid down in the Directive, and Technical Advice by EIOPA is expected on these points by February 2017.</p> <p>Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulation The Regulation on Packaged Retail and Insurance Based Investment Products (PRIIPs) aims to improve investor protection by introducing the obligation for PRIIPs manufacturers to provide a clear, short and standardised key information document (KID), and to publish it on its website. The KID is to offer a uniform presentation that clearly spells out main features, risks and opportunities as well as costs associated with a broad range of investment products available to retail investors, such as insurance-based investment products, structured investment products and collective investment schemes. This consumer friendly document is to facilitate the understanding of and comparison between different investment products.</p> <p>France has transposed into French law legal provision of Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property and amending Directives 2008/48/EC and 2013/36/EU and Regulation (EU) No 1093/2010. All implemented provisions were published.</p> <p>France has transposed into French law legal 2014/92/EU of the European Parliament and of the Council of 23 July on the comparability of fees related to payment accounts, payment account switching and access to payment accounts with basic features -the Payment Accounts Directive (PAD or ^the Directive"). All implemented provisions were published.</p> <p>The transparency, anti-corruption and economic modernisation bill, published in december 2016, contains measures for modernising the economy while adequately protecting investors and consumers:</p> <ul style="list-style-type: none"> <li>i) enhances financial stability and the protection of citizens with savings by expanding the powers of the financial regulatory authorities;</li> <li>ii) establishes a prudential regime for retirement insurance policies while maintaining the current level of protection for the insured</li> <li>iii) prohibits advertising by online platforms that offer high-risk financial instruments</li> <li>iv) supports the expansion of new means of payment by creating a level competitive playing-field for all categories of payment service providers.</li> </ul> | <p>If this recommendation has not yet been fully implemented, please provide <b>reasons for delayed implementation</b></p> |

**22. Enhancing financial consumer protection**

**Update and next steps**

**Highlight main developments since last year's survey**

Implementation of secondary measures relative to retirement insurance policies :  
 (decree n° 2017-1171 of 18 July 2018, decree n° 2017-1765 of 26 december 2017) that establish a prudential regime for retirement insurance policies while maintaining the current level of protection for the insured

-new means of payment service providers :Transposition in French law of european directive n° 2015/2366 was published in August 2017 and entered into force on the 13th January 2018.

**Planned actions (if any) and expected commencement date**

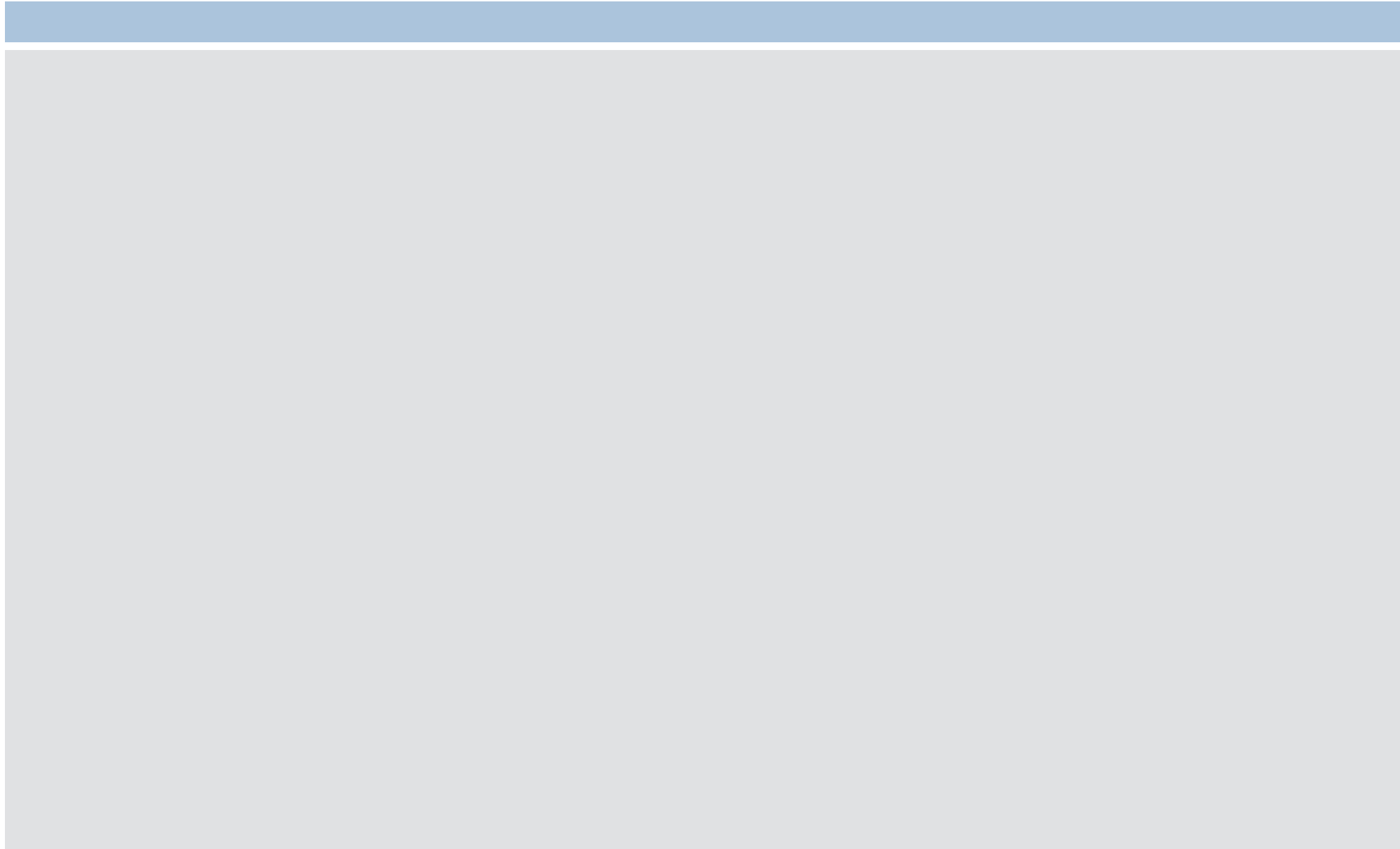
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**Relevant web-links**

**Web-links to relevant documents**

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|   |    |     |    |   |    |     |      |    |   |                                   |
|---|----|-----|----|---|----|-----|------|----|---|-----------------------------------|
| I | II | III | IV | V | VI | VII | VIII | IX | X | <b>List of abbreviations used</b> |
|---|----|-----|----|---|----|-----|------|----|---|-----------------------------------|



## Sources of recommendations

- [Hamburg: G20 Leaders' Communique \(7-8 July 2017\)](#)
- [Hangzhou: G20 Leaders' Communique \(4-5 September 2016\)](#)
- [Antalya: G20 Leaders' Communique \(15-16 November 2015\)](#)
- [Brisbane: G20 Leaders' Communique \(15-16 November 2014\)](#)
- [St Petersburg: The G20 Leaders' Declaration \(5-6 September 2013\)](#)
- [Los Cabos: The G20 Leaders' Declaration \(18-19 June 2012\)](#)
- [Cannes: The Cannes Summit Final Declaration \(3-4 November 2011\)](#)
- [Seoul: The Seoul Summit Document \(11-12 November 2010\)](#)
- [Toronto: The G-20 Toronto Summit Declaration \(26-27 June 2010\)](#)
- [Pittsburgh: Leaders' Statement at the Pittsburgh Summit \(25 September 2009\)](#)
- [London: The London Summit Declaration on Strengthening the Financial System \(2 April 2009\)](#)
- [Washington: The Washington Summit Action Plan to Implement Principles for Reform \(15 November 2008\)](#)
- [FSF 2008: The FSF Report on Enhancing Market and Institutional Resilience \(7 April 2008\)](#)
- [FSF 2009: The FSF Report on Addressing Procyclicality in the Financial System \(2 April 2009\)](#)
- [FSB 2009: The FSB Report on Improving Financial Regulation \(25 September 2009\)](#)
- [FSB 2012: The FSB Report on Increasing the Intensity and Effectiveness of SIFI Supervision \(1 November 2012\)](#)