



The Chair

The AMF France celebrates the 20th anniversary of the IOSCO MMoU

The IOSCO MMoU is somewhat special to the AMF France as it was elaborated by a group of IOSCO members under the leadership of a former Chair of the AMF and of the IOSCO Technical Committee, Michel Prada.

Sharing with you our experience of the MMoU in a few lines is quite challenging.

Since the IOSCO secretariat has established statistics, the AMF has consistently been among the 4 top largest users of the MMoU, also consistently being among the largest sending authorities. To compare with the figures 20 years ago, the number of requests we sent is comparable: 230 requests in 2002, to compare to 291 in 2022.

What has changed is the nature and scale of cooperation. To illustrate this change, two examples of investigations that led to sanctions can be given, which we would have never been able to lead with success without the MMoU.

1. In 2009, we successfully closed more than 3 years of investigation on insider dealing related to a corporate called Péchiney, which had been the target of a takeover from a Canadian company Alcan. To successfully conclude that investigation:
 - we solicited assistance from 19 foreign authorities,
 - we were able to identify 3 groups of potential insiders, representing 22 persons having gathered nearly 14M€ of profit.
 - 39 testimonies were taken, of which 2/3 were taken abroad.
2. More recently, in 2015, we successfully concluded an investigation that led to sanctioning a former head of a trading office in a foreign country for having manipulated more than 8000 times the price of 27 stocks of the CAC 40 index, over a period of 9 months. The layering technic used for this

manipulation was part of a worldwide scheme involving thousands of traders spread over hundreds of offices across the world. Several authorities have sanctioned the manipulation under their jurisdiction.

To conclude, **more than 90 % of our ongoing investigations include an international aspect, which requires the use of the MMoU.**

So in summary

- **The MMoU has enabled the AMF to cooperate with a number of Authorities with which it previously had no links, as they have progressively become signatories to the MMoU and thus have progressed to higher standards of cooperation**
- **The MMoU has facilitated cooperation among signatories, enabling the AMF to obtain documents and information that it could not obtain from them in the past.**

These include the core elements of the MMoU, which are transaction data, banking documents, beneficial owners and statements, but also other information of importance for investigations. This is thanks to the mechanism called « fullest assistance permissible », according to which requested Authorities need to use all the powers at their disposal to help their foreign counterparts, even beyond the main elements of the MMoU.

- **The MMoU has simplified the cooperation process for the AMF**

The MMoU has facilitated the way in which cooperation requests are sent and received, since the way in which these requests are drafted has been unified. This has enabled the AMF to have faster and more complete responses from its counterparts and to deal more quickly or more easily with the requests it receives.

In addition, instead of having dozens of bilateral agreements, each with specific legal provisions, the AMF has been able to refer to the single MMoU, which specifies how the information obtained can then be legally used.

- **The MMOU has increased the legal certainty of its investigation procedures**

The creation of a single arrangement, with clear and simple rules, the application of which is certain among its signatories because of the prior screening process, has made it possible for the AMF to strengthen the legal security of its procedures when obtaining documents transmitted by foreign authorities.

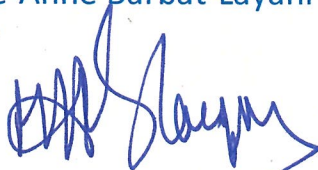
The cooperation procedure via the MMOU has sometimes been challenged by persons targeted by our investigations, but these challenges have not been successful in the French courts, the judges recognising the seriousness and rigour of the entire legal structure.

- **Finally, the MMOU is a permanent incentive to continuous good and effective cooperation, which benefits the AMF, in particular with the Monitoring Group Steering Committee procedure**

This procedure allows each signatory to refer cooperation issues to a group dedicated to examining these cooperation difficulties, in order to identify the reasons for which the information requested has not been obtained, and above all what solutions must be provided so that this does not happen again.

The very existence of the MMoU and the monitoring procedure are, for the AMF, the assurance that good cooperation between the members of the Organization remains a requirement at all times and that it is the subject of rigorous controls, in the interest of the smooth running of the financial markets and therefore of investors.

Marie-Anne Barbat-Layani
Chair



May 9, 2023