

THE ACPR IN A FEW WORDS

Introducing the *Autorité de contrôle
prudentiel et de résolution*

ACPR

BANQUE DE FRANCE



WHAT IS THE ACPR?

The ***Autorité de contrôle prudentiel⁽¹⁾ et de résolution⁽²⁾⁽³⁾*** is an administrative authority attached to the *Banque de France* responsible for carrying out the supervision of the banking and insurance sector in France

(1) **Prudential supervision** consists in the monitoring the financial soundness of institutions, in particular their capital base, liquidity and risk management arrangements in accordance with the regulations in force

(2) **Resolution** consists in the implementation of crisis prevention and resolution measures as alternatives to liquidation, in the fields of banking and insurance

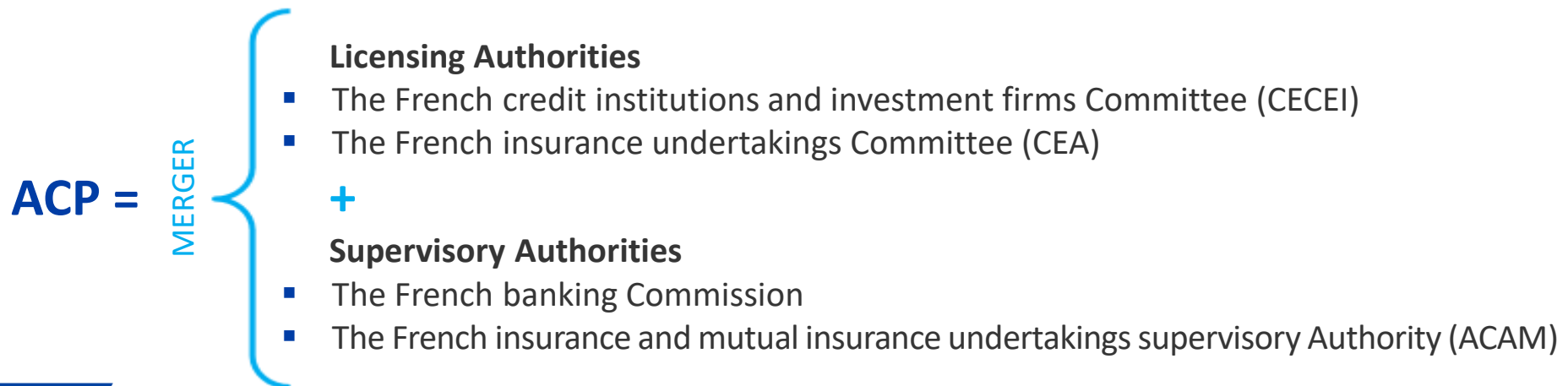
(3) The French prudential control and resolution Authority

WHY WAS THE ACP* CREATED IN 2010?

Following the global financial crisis of 2008, Christine Lagarde, the French Minister for the Economy, announced the creation of a new authority in France, tasked with the supervision of banks and insurers 3 objectives:

- ensuring financial stability
- protecting customers
- strengthening French influence in international and European fora

In 2010, the *Autorité de contrôle prudentiel* (ACP) is established, with a new competence: consumer protection, in particular *via* the control of the marketing of financial products



WHAT ARE THE KEY MILESTONES TO REMEMBER? (1/2)



2010

- **Establishment of the ACP** (March)

- Creation of **3 European supervisory agencies**

The EBA, EIOPA and ESMA*



2013

The ACP is given a new mandate: **resolution**, and becomes the **ACPR**



2015

Entry into force of the **Single Resolution Mechanism (SRM)**



2011

Establishment of the **joint ACP-AMF Unit** dedicated to customer protection



2014

Entry into force of the **Single Supervisory Mechanism (SSM)**

*European Banking Authority – “EBA”

European Insurance and Occupational Pensions Authority – “EIOPA”

European Securities and Market Authority – “ESMA”

WHAT ARE THE KEY MILESTONES TO REMEMBER? (2/2)

2016

- Creation of the **Fintech Unit** dedicated to **Fintech undertakings and innovation** (entry point for innovative project initiators...)
- Extension of the ACPR's resolution powers to the **insurance sector**
- Creation of the **Financial Stability Unit** which coordinates the ACPR and the Banque de France's financial stability efforts: risk analysis, macroprudential policy, international regulatory issues...

2021

Creation of a **unified Directorate dedicated to the fight Against Money Laundering and to Countering Terrorist Financing (AML-CFT)**

2020

- **First climate stress tests** conducted with banks and insurers
- Targeted measures to safeguard financial stability in light of the economic crisis caused by the **Covid-19 pandemic**

2022

Establishment of a crisis unit at the beginning of **the war in Ukraine**. Close follow-up of the banking and insurance sectors and cyber risk.



AN AUTHORITY ATTACHED TO THE BANQUE DE FRANCE (BDF), MEANING?

The Governor of the Banque de France, Mr François Villeroy de Galhau, is the Chairman of the ACPR, Mr Jean-Paul Faugère, Vice-Chairman of the ACPR, serves on the General Council of the Banque de France

ACPR staff is **employed by the Banque de France**

The ACPR uses the **support functions of the BDF** with a view to mutualising resources (HR management, property management, IT, etc.)

The ACPR adopts its budget, which is **annexed to that** of the BDF

The ACPR's revenues consist mainly of **contributions paid by supervised entities**.

Employment and resources caps are set by the French Parliament, and incorporated into the Finance Act

The ACPR acts within the framework of **the Banque de France's missions**:

Financial stability ← ACPR

Monetary Strategy

Services to the economy

WHAT ARE THE ACPR'S MAIN MISSIONS? (1/2)

The ACPR performs **four main missions** of general interest:



1

Preserving financial stability, both that of the system as a whole and that of each institution (banking and insurance sectors)

- **Licensing new players:**
 - Granting and managing changes to licenses, authorisations, registrations
 - Ownership changes, mergers or portfolio transfers, governance decisions (appointment of effective managers and managers of key insurance functions)...
 - collaborating with the AMF on several authorisation activities
- Carrying out the **ongoing supervision of the financial position of supervised entities and ensuring the enforcement of prudential regulations**
- Contributing to **the development of prudential rules** for banks and insurance companies, at the international and European level, in order to prevent risks pertaining to the stability of the financial system (systemic risks)

WHAT ARE THE ACPR'S MAIN MISSIONS? (2/2)

2 **Protecting the customers** of banking and insurance undertakings

3 **Combating money laundering and terrorist financing** through the supervision of the preventive measures implemented by institutions

4 **Implementing crisis prevention mechanisms** for the banking and insurance sectors, as well as “**resolution**” mechanisms in the event of an institution’s bankruptcy



WHAT ARE ITS OTHER KEY TASKS?

➔ **Representing France** as a supervisory authority at the international and European level, contributing to the strengthening of financial sector regulations

➔ **Enhancing, sharing and disseminating our expertise in the financial sector** in academia, among supervised institutions... (studies and research, conferences, seminars)

➔ Contributing to the **risk assessment** of the financial system, taking into account emerging risks (cyber risk, climate risk)

➔ Fostering dialogue, supporting **Fintech players** and preparing next generation supervision methods (Suptech)



WHICH REGULATORY FRAMEWORK FOR BANKING & INSURANCE SUPERVISION?

Highly harmonised international and European regulations

Definition of international standards

BCBS

Basel Committee
on Banking Supervision



International Association
of Insurance Supervisors



Financial action task force
Intergovernmental AML-CFT body

Proposal and adoption of legislation at the European level



European Commission



European Council



European Parliament

Publication of guidelines, clarification of European directives or regulations, verification of their application by national supervisors



European Banking
Authority



European Insurance and
Occupational Pensions Authority

National implementation



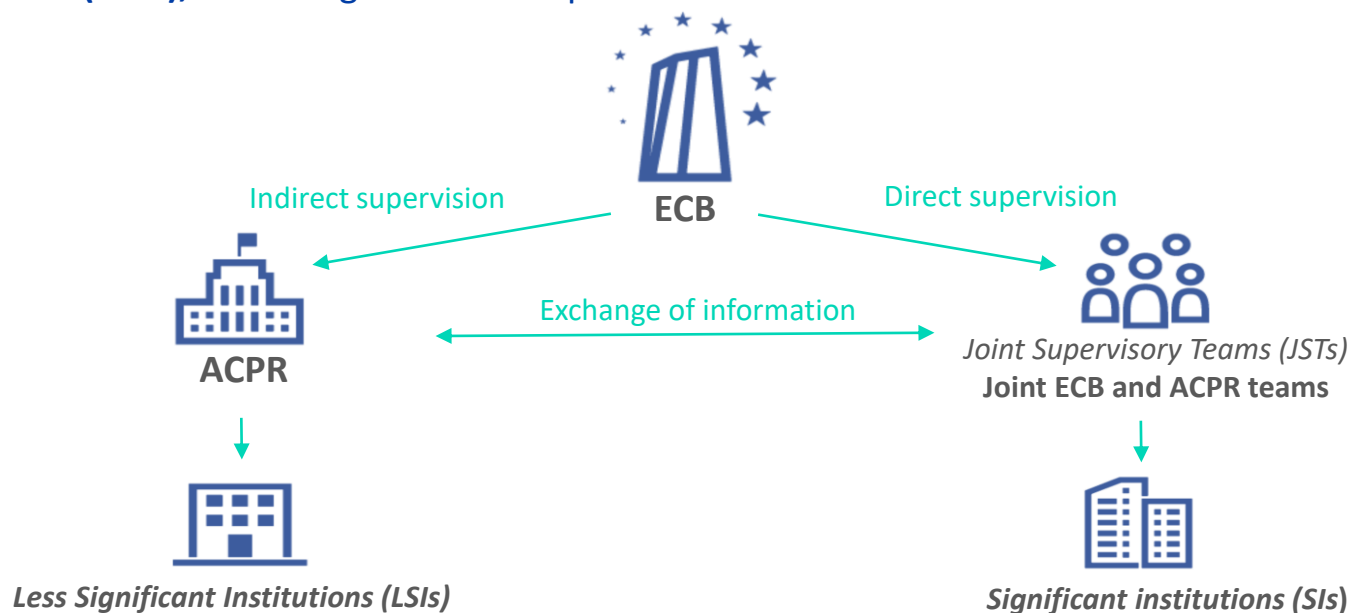
Law (especially for the
transposition of directives), decrees



Views, instructions,
ACPR notices

AT THE OPERATIONAL LEVEL, HOW IS SUPERVISION ORGANISED?

In the European Union, the supervision of credit institutions takes place under the Single Supervisory Mechanism (SSM), which organises the supervision of banks between the ACPR and the ECB



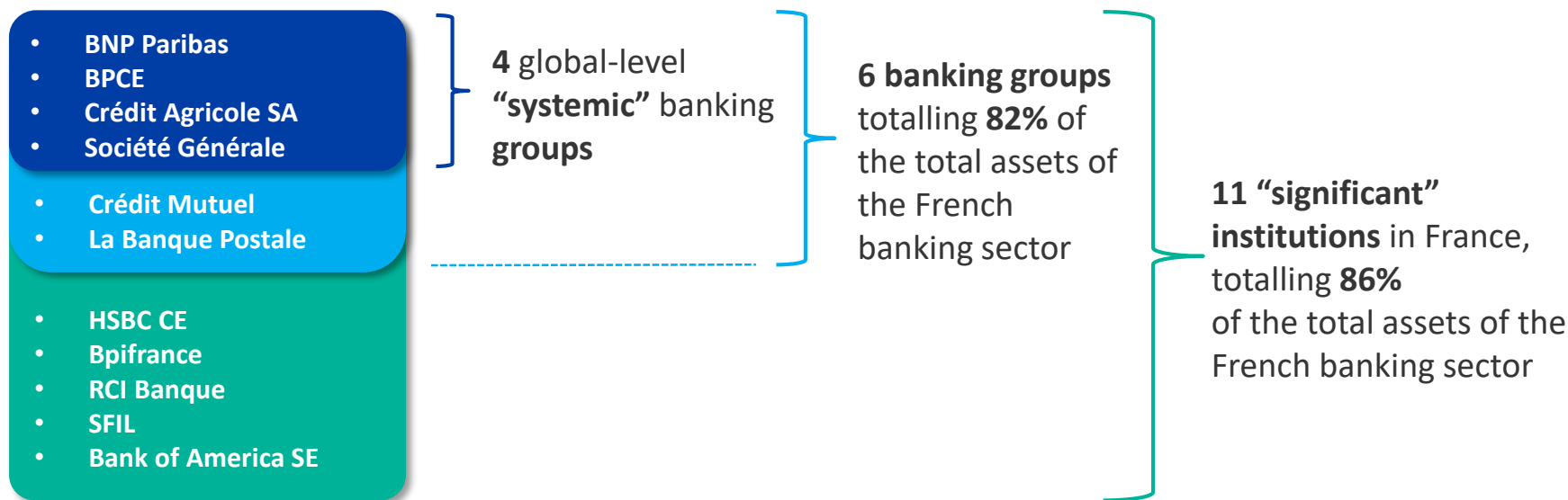
The supervision of **insurance undertakings (and LSIs)** is **directly** conducted by the ACPR

Customer protection missions, as well as **anti-money laundering and terrorist financing missions**, are also carried out directly by the ACPR for both sectors (banking & insurance)

The Single Resolution Mechanism (**SRM**), the second pillar of the Banking Union, is based on the same principles as the SSM

WHY DO WE DISTINGUISH BETWEEN “SIGNIFICANT BANKING INSTITUTIONS” AND “LESS SIGNIFICANT INSTITUTIONS”?

The key concern of this classification is to identify institutions the failure of which is likely to cause a “systemic” crisis, either at a global scale or at the level of the European Union (cause significant disruptions to the financial system as a whole and to the economic activity of several countries)



Sources: [ECB](#), [ACPR](#)

WHAT ARE THE KEY FIGURES OF THE ACPR FOR 2022? (1/2)



HEADCOUNT & BUDGET

1 050

full-time
equivalent (FTE)

(see Annex 3)

215,1

million EUR
budget

AUTHORISATIONS & SANCTIONS

285

licensing and authorisations
decisions

7

rulings made by the
sanctions committee

WHAT ARE THE KEY FIGURES OF THE ACPR FOR 2022? (2/2)



SUPERVISED INSTITUTIONS BY THE ACPR

666

supervised institutions
in the banking sector
(see Annex 2)

664

supervised insurance and
mutual insurance
undertakings

INTERMEDIARIES REGISTERED WITH ORIAS AND SUPERVISED BY THE ACPR

Nearly
72 000

Intermediaries supervised by the ACPR for business practices and for the fight
against money laundering and terrorist financing (AML-CFT)

ON-SITE INSPECTIONS

101

on prudential matters

101

on business practices

38

on the fight against money laundering
and terrorist financing (AML-CFT)

Source: 2022 annual report



WHAT ARE THE ACPR'S DECISION-MAKING BODIES?

SUPERVISORY BODY

Plenary session

Sectoral insurance
sub-college⁽²⁾

Restricted session⁽¹⁾

Sectoral banking
sub-college⁽²⁾

SANCTIONS COMMITTEE

RESOLUTION BODY

WHAT ARE THE OTHERS BODIES?

ADVISORY COMMISSIONS

Prudential cases

AML-CFT⁽³⁾

Business Practices

Climate and Sustainable Finance

Scientific Committee

AUDIT COMMITTEE

(1) The supervisory body's restricted sessions cover individual issues that may have a significant impact on the banking and insurance sectors and on financial stability. It examines also issues relating to the supervision of financial conglomerates

(2) The sectoral sub-colleges, banking, insurance, are tasked with appraising individual cases as well as general issues specific to their sector

(3) Combating money laundering and terrorist financing

ORGANISATION CHART OF THE SECRETARIAT GENERAL

General Secretariat of the ACPR

- Banking Supervision Directorates 1 and 2
- On-site Inspection Delegation
- Insurance Supervision Directorates 1 and 2
- Cross-functional and Specialised Supervision Directorate
- Anti-Money Laundering and Terrorist Financing Directorate
- Business Practices Supervision Directorate
- Quality and Methodology Division

Supervision

- Authorisation Directorate
- Fintech Innovation Unit
- Resolution Directorate
- Sanctions Committee Division

Ex-ante and ex-post supervision

- Legal Affairs Directorate
- International Affairs Directorate
- Risk Analysis Directorate
- ACPR Data Manager

Cross-sectional functions


- Human Resources and Support Functions Directorate
- Communication unit

Support functions


WANT TO KNOW MORE?

VISIT OUR WEBSITES



 acpr.banque-france.fr



 abe-infoservice.fr

A public service website dedicated to informing, alerting and guiding financial sector customers

FOLLOW THE ACPR ON SOCIAL MEDIA



ANNEX 1: ACPR LOCATIONS

- 📍 Paris Saint-Lazare: place de Budapest (Intown building) and rue de Londres
- 📍 Lille (ACPR offices in the BDF branch)
- 📍 Tours (ACPR offices in the BDF branch)



ACPR offices, Intown building, Saint-Lazare

ANNEX 2: ENTITIES AUTHORISED TO OPERATE IN FRANCE

31/12/22

666

supervised institutions
in the banking sector

Credit institutions (authorised in France and Monaco)	340
Investment firms (authorised by the ACPR)	102
Financing companies	147
Payment institutions (authorised by the ACPR)	51
Account information service providers	8
Electronic money institutions (authorised by the ACPR)	18

Other institutions authorised by the **ACPR**: 216 (5 third-party financing companies and 211 bureaux de change)

Branches of European Economic Area institutions under freedom of establishment: 174

664

supervised insurance
and mutual insurance
undertakings

Insurers: insurance companies, supplementary occupational pension institutions, reinsurance companies, third-country branches (Insurance Code)	297
Provident institutions (Social Security Code)	34
Mutual undertakings (Mutual Insurers Code)	333

ANNEX 3: FOCUS ON THE DIVERSITY AT THE ACPR BANQUE DE FRANCE

The **Banque de France** is committed to fostering respect for diversity in all its forms, to fighting against discrimination, to promoting gender equality and guaranteeing a quality work environment.

→ More information on the [Banque de France website](#) (Corporate Social Responsibility section)



DID YOU KNOW?

At the ACPR, which employs 1 050 ETP:

- average age: 40 years old
- 49 % women / 51 % men

As at 31/12/2022