

2022
2023

Annual Statement of Priorities

The Autorité des marchés financiers (the “AMF”) is publishing its statement of priorities to inform the industry and the general public about its key initiatives for the period from April 1, 2022 to March 31, 2023. These initiatives form part of the implementation of the organization’s [2021-2025 Strategic Plan](#) and the vision it has set for itself: “A value-added regulator for consumers and the financial sector.”

Orientation 01

A PROACTIVE REGULATOR THAT IS RELEVANT TO CONSUMERS IN AN EVER-CHANGING ENVIRONMENT

Assistance services

- The AMF will continue to focus significant efforts on reviewing and enhancing its assistance services by type of clientele in order to even more effectively meet each clientele's specific needs and will test new service delivery channels for consumers, including an option to make appointments with staff of the AMF Information Centre and thereby provide greater flexibility to its clients.
- The AMF will redesign its registers of firms and individuals authorized to practise so that consumers benefit from clearer and more detailed and relevant information.
- The AMF intends to implement, further to the consultation process completed in 2021-2022, a harmonized framework for processing complaints and resolving disputes within the financial sector. The main aim of this project is to simplify the complaint process for consumers and users of financial products and services and strengthen the fair processing of such complaints. The AMF will also complete the development of a complaint processing policy template for use by persons subject to the *Act respecting the distribution of financial products and services* (Distribution Act).
- The AMF remains committed to combating financial mistreatment. It will therefore continue its involvement in the Governmental Action Plan to Counter Mistreatment of Older Adults. The actions the AMF will be taking will be announced to the public during the summer of 2022.

Financial education

- The AMF will roll out new initiatives to educate, inform and assist consumers with respect to the risks associated with cryptoassets.
- The AMF, through its Strategic Financial Education, Outreach and Research Partnerships Program, wants to further develop its knowledge of consumer financial behaviours and then share its findings, particularly with financial sector participants. The AMF will issue a call for projects for this purpose by the end of the year.
- The AMF will publish the findings of its new AMF Index, a survey on Québec consumers' financial behaviours. The new AMF Index will help guide the organization in identifying priority areas in financial education.

01 A proactive regulator that is relevant to consumers in an ever-changing environment

Oversight and supervision

- The AMF will continue to conduct cross-sectional analyses of targeted issues as part of its oversight activities. This will involve, in particular, holding a consultation and reviewing the legal framework that sets out insurers' obligations regarding insurance products offered by student associations.
- The AMF will roll out forms to the deposit institutions to the deposit institutions it regulates so that it can collect information to assess compliance with its expectations regarding sound commercial practices on an ongoing basis.
- The AMF will continue to monitor the cryptoasset ecosystem. It will expand its response capabilities by increasing staff in this area and rolling out new tools to detect and analyze cryptoasset schemes.
- The AMF will also continue to work with the CSA to develop a framework for the registration of cryptoasset trading platforms that are subject to securities legislation and to assess new cryptoasset products and services that might trigger the application of securities legislation.
- The AMF will continue to further its understanding of the various aspects of the digital transformation of the industry and the impact of changes on the protection of consumers and users of financial products and services. This research and monitoring work, much of it done in collaboration with researchers, industry participants and other regulators, will focus on the gamification of investing, applications of artificial intelligence in the financial sector and decentralized finance.

Enforcement

- The AMF will continue to prioritize the development of high-performance technology-based tools to increase its ability to detect, investigate and seek sanctions for violations of the laws and regulations it administers, including offences committed via the Internet and social media. The Internet and social media are especially conducive to fraud because fraudsters can act anonymously and reach a large number of potential victims quickly and easily. The AMF will also continue to optimize the use of its insider trading and market manipulation detection and investigation tools by incorporating, processing and analyzing new data sources such as exempt market distribution and insider trading reports.

Orientation 02

AN INFLUENTIAL REGULATOR SUPPORTING QUÉBEC'S FINANCIAL SECTOR

Compliance burden

- The AMF will continue to work on reducing the compliance burden on its regulated clientele while taking circumstances, areas of activity and risks for consumers into account. This work will be based, in part, on the outcomes of the consultation that the AMF held with stakeholders in fiscal 2021-2022. In particular, the AMF will:
 - continue to optimize the career entry requirements, including probationary periods, for clientele that are subject to the Distribution Act and to consult the industry on potential solutions;
 - take stock of the specific consultations conducted in Q1 2022 on financial products and services offered via the Internet and assess whether regulatory amendments should be proposed;
 - launch a consultation on regulatory amendments relating to the outside activities of representatives of registrants governed by the Distribution Act and to the professional liability insurance of representatives and registrants subject to the Act;
 - review the consultation process for the prudential and regulatory framework applicable to financial institutions while sharing the planning calendars for normative and regulatory projects with financial institutions upstream and launching pre-consultations on priority issues;
 - start work on streamlining the procedure by which financial institutions aggregate data for the various disclosures required to be submitted to the AMF.
- The AMF will continue to work with the CSA on various projects intended to simplify or relax the regulatory framework, including:
 - publication for comment of regulatory amendments to facilitate the electronic delivery of documents and the provision of additional clarification and guidance to enable issuers to further reduce the use of paper and the associated costs;
 - analysis of input on the project to simplify continuous disclosure requirements for companies, which is intended to eliminate duplicative disclosure among the financial statements, management's discussion and analysis (MD&A) and the other forms of Regulation 51-102 respecting Continuous Disclosure Obligations;
 - final publication and coming into effect of a prospectus exemption intended to facilitate issuers' access to the public markets through reliance on companies' continuous disclosure instead of a prospectus;
 - publication for comment of proposed regulatory amendments to enable large companies to obtain a receipt on an accelerated basis;
 - simplification of certain requirements applicable to investment funds as part of various initiatives, including a project to modernize the prospectus filing model for investment funds, as announced on January 27, 2022, the first stage of which will focus on allowing investment funds to file a new prospectus every two years instead of on an annual basis and the second stage of which will consist of a consultation on a new shelf prospectus filing method;
 - publication of regulatory amendments to relax the trade reporting requirements for OTC market participants and, in the context of preparing for the implementation of T+1 settlement, to simplify the reporting requirements for registered firms relating to institutional trade matching and settlement.

02 An influential regulator supporting Québec's financial sector

- The AMF will continue to improve its inspection approach by deploying a new inspection matrix and optimizing the extraction of internal data relating to exempt market distribution reports. These tools will enable more targeted inspections by making more effective use of available data through the application of algorithms and data analytics.

Framework

- Further to its appointment as chair of the Canadian Insurance Services Regulatory Organizations (CISRO), the AMF will work to strengthen cooperation among CISRO members and promote stakeholder input. The AMF will also lead work to consider and develop a new strategic plan, while at the same time helping implement initiatives under the current plan, which is scheduled to expire in March 2023.
- The AMF, in collaboration with the Canadian Council of Insurance Regulators (CCIR), the CSA and CISRO, will continue its regulatory and normative work to adopt a harmonized approach to disclosure to investors of all relevant information related to total costs and performance by investment funds and segregated funds.
- Together with the CCIR and CISRO, the AMF will:
 - launch a public consultation on sales commissions paid to insurance intermediaries in the segregated funds field further to the February 10, 2022 announcement that deferred sales charges were being eliminated for segregated funds;
 - continue to develop a cross-Canada guideline for segregated fund sales. After this is done, specific work will be carried out to incorporate the developed guidance into Québec's regulatory and normative framework;
 - finalize the development of a cross-Canada incentives management guideline in insurance.
- The AMF will contribute to the work of CISRO and the Mortgage Brokers Council of Canada (MBRCC) toward the publication of cybersecurity and information security incident management good practices.
- The AMF will continue to work in concert with the CSA on the creation of a new self-regulatory organization for the investment sector and a new investor protection fund. Under the present timetable, the corporate transactions necessary to amalgamate the Mutual Fund Dealers Association of Canada (MFDA) and the Investment Industry Regulatory Organization of Canada (IIROC) are expected to be completed by the end of 2022. To address the specific regulatory landscape in force in Québec and facilitate the transition, the AMF will continue to hold discussions as part of a forum it has established, bringing together representatives of the Chambre de la sécurité financière, IIROC's Québec District and the Conseil des fonds d'investissement du Québec.

Fintechs and innovation

- The AMF will begin sequencing and prioritizing the actions to take in regard to the recommendations from its Report on the responsible use of artificial intelligence in finance.
- The AMF also intends to actively contribute to the work on consumer-directed finance that will be undertaken by the Department of Finance Canada and other open banking stakeholders.
- The AMF will evaluate the appropriateness of further developing its framework for cryptoasset exposures through the lens of the sound and prudent management practices and sound commercial practices that financial institutions are expected to apply. In addition, the AMF will continue to monitor developments in the cryptoasset ecosystem and to reflect on what changes, if any, are needed to the regulatory framework. The AMF will carry out this process of reflection in close collaboration with its national and international partners, particularly with respect to stablecoin arrangements.

02 An influential regulator supporting Québec's financial sector

Environmental, social and governance issues

- The AMF will continue to provide thought and action leadership on sustainable finance matters. It will undertake or continue work on various projects to incorporate environmental, social and governance (ESG) factors into financial activities and decisions, including:
 - developing a specific framework for disclosure of climate-related matters for reporting issuers and financial institutions;
 - using scenario analysis and stress testing within financial institutions for physical risks and transition risks related to climate change;
 - initiating dialogue, in concert with the CSA, with representatives of Indigenous communities to assess whether the needs and concerns of their communities are adequately reflected in the current framework;
 - reflecting, in concert with the CSA, on changes needed to the current disclosure framework with regard to diversity on boards and in executive officer positions of reporting issuers;
 - reflecting on issues of diversity, equity and inclusion within financial institutions.

Orientation 03

A HIGH-PERFORMING REGULATOR IN THE PURSUIT OF ITS MISSION

Data strategy

- The AMF will continue to work on maximizing use of its data to enhance its operational performance. This year, efforts will be focused on developing or updating its data governance policies, implementing the end-user development framework, developing and operationalizing policies and procedures for end-user data value creation and deploying training plans for the organization's staff.
- The AMF will complete its target business intelligence architecture and implement its centralized analytics platform. This project will enable the AMF to enhance its ability to collect and analyze data, ensure data security and improve the dissemination and presentation of data.

Risk and organizational capacity management

- The AMF will continue the work begun in 2021-2022 to develop its integrated risk management program so that it can evolve in accordance with best practices.
- To ensure that projects are aligned with its organizational priorities, the AMF will update its project prioritization criteria and mechanisms. In addition, it will continue to roll out its capacity management tool across the organization's various business sectors.

Modernization of information systems

- The AMF will launch a project to implement a new complaint processing solution. In addition to modernizing how complaints are received, this information system will improve the tools used by AMF teams for detecting potentially systemic issues, better assess risk and be more targeted in their interventions.
- The AMF will continue to incorporate the operational processes of the Surintendance des marchés de valeurs (AMF Securities Markets) into its integrated management software package and the SEDAR+ platform. Once completed, this integration will improve the processing of filings, reports and payments made by reporting entities under the applicable regulations.
- The AMF will continue its efforts to acquire an integrated enterprise information management (EIM) solution to ensure compliance with its obligations as a public body, support collaborative work between teams and build a high-quality information environment. In 2022-2023, the AMF will commence implementation of an EIM solution and deploy a new information management governance framework to enhance users' knowledge of information management best practices.

Orientation 04

A REGULATOR COMMITTED TO ITS HUMAN CAPITAL

Future organization of work

- The AMF will implement a new hybrid work arrangement. The objective is to perpetuate the benefits of remote work while rediscovering and cultivating the advantages of working in person. The hybrid work arrangement will allow the AMF to provide an overall experience built on flexibility and independence while remaining aligned with business needs that may require staff to be physically present on site.

Employer brand

- The AMF will continue its work to establish and assert its employer brand. Specifically, it will develop its “employee value proposition” (EVP) and establish and work to implement an EVP promotion strategy. Once established, the AMF’s employer brand will further raise its profile among both its employees and future applicants.

Training and development

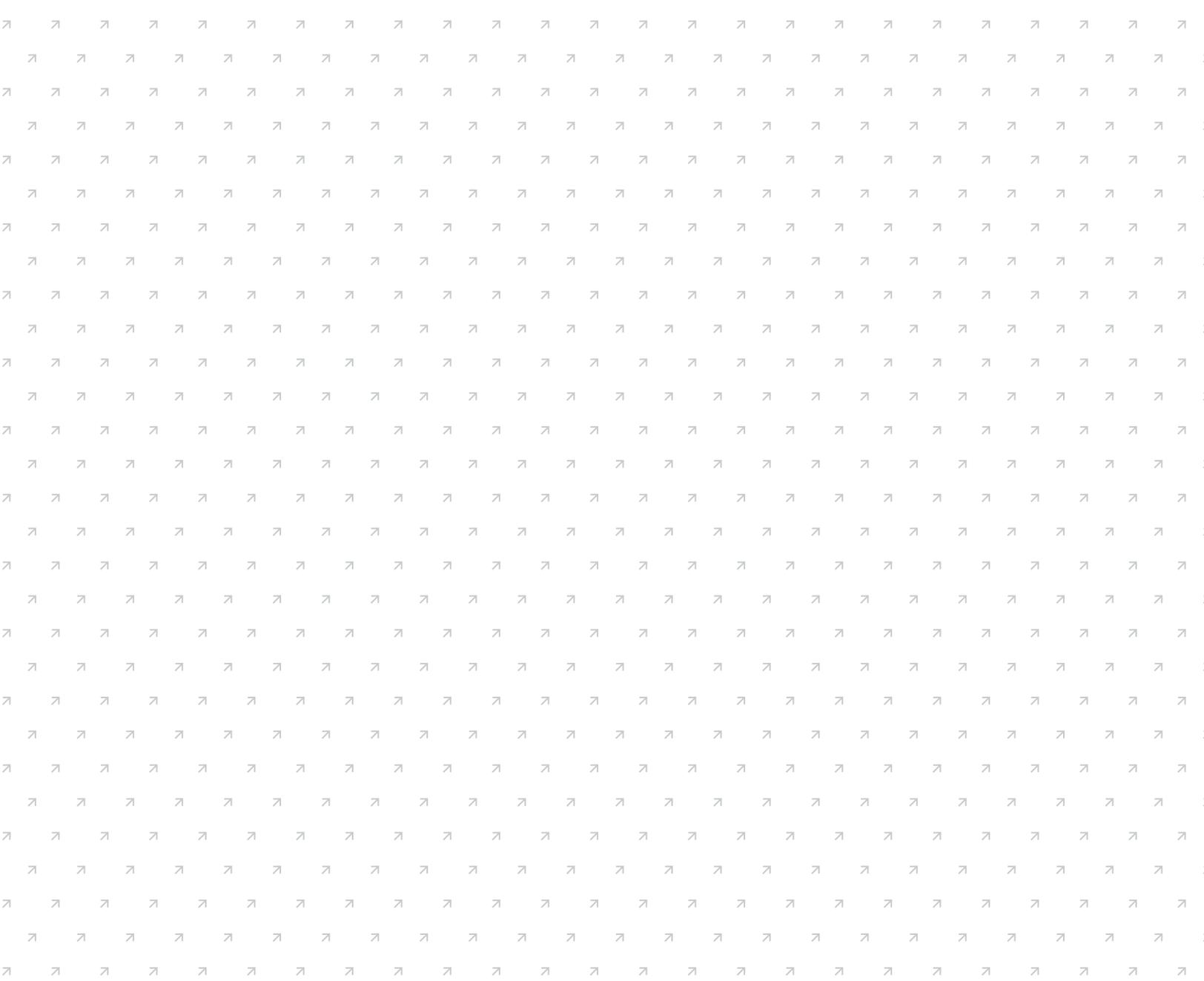
- The AMF will encourage its employees to develop their skills in order to achieve their professional goals and realize their full potential. It will do this by leveraging continuous learning approaches. In this context, the AMF will add to its training catalogue and design training plans focused on certain types of expertise, including data value creation, cybersecurity and cybercrime investigations.

Management approaches and methods

- The AMF will continue to pay special attention to developing the management skills of its managers through customized development pathways in order to promote a common understanding of leadership, support them in developing their own leadership style and create a sense of community, sharing and connection.

Diversity, equity and inclusion

- The AMF will pursue its commitment to provide its employees with an environment that fosters diversity and inclusion. In order to derive maximum benefit from the range of abilities and experiences that are available, the AMF will implement its diversity and inclusion program so that it can better identify and analyze cultural interactions, develop the ability to act in a context of diversity and promote awareness of each person’s role and responsibilities. A priority for the AMF is to enhance diversity in some of its key processes (staffing, employment integration, etc.).



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FINANCIERS**

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