AGENDA

Wednesday, June 3, 2015

Venue: Federal Reserve Board
Marriner S. Eccles Building
20th and C Streets, N.W.
Washington, D.C.

10:00 a.m. – 10:30 a.m.  Registration and Light Breakfast

10:30 a.m. – 10:40 a.m.  Inaugural Address
Janet Yellen, Chair, Board of Governors of the Federal Reserve System

10:40 a.m. – 10:50 a.m.  Administrative Announcements
Sarkis Yoghourtdjian, Adviser, Division of Banking Supervision and Regulation, Board of Governors of the Federal Reserve System

10:50 a.m. – 11:15 a.m.  Group Photograph (Eccles Building Front Steps) / Coffee Break

11:15 a.m. – 11:45 a.m.  Keynote Address
Nathan Sheets, Under Secretary for International Affairs, U.S. Department of the Treasury

11:45 a.m. – 1:15 p.m.  Opening discussion: How do we get banks to better serve the real economy—ethics, incentives, and the role of supervisors

As financial institutions have become increasingly complex in response to the needs of their clients, this “market first” environment has been blamed for helping create an ethical deficit among financial institutions. Panelists will discuss how to balance financial institutions’ focus on profits and their role of serving the real economy: Have banks become so committed to serving the markets first that market participants have come to accept that regulators will naturally lag behind financial innovations? How do bank supervisors promote the appropriate incentives to re-focus financial institutions on their historical purpose of allocating capital to promote economic growth? And ultimately, what can bank supervisors do to foster an environment that prevents the erosion of the public’s trust in financial markets due to concerns about the behavior of market participants?
Moderator: Michael Gibson, Director, Banking Supervision and Regulation, Board of Governors of the Federal Reserve System

Speakers: Cardinal Theodore McCarrick, Archbishop Emeritus of Washington
Nomi Prins, Distinguished Senior Fellow, Demos Group
Frédéric Visnovsky, Deputy Secretary General, Autorité de Contrôle Prudentiel et de Résolution, Bank of France

1:15 p.m. – 2:45 p.m. Luncheon (by invitation only)
Hosted by the Board of Governors of the Federal Reserve System
Federal Reserve Board
Marriner S. Eccles Building, Terrace Level, Dining Room E
20th and C Streets, N.W., Washington, D.C.

Keynote Speaker: Juan Zarate, Senior Adviser, Center for Strategic and International Studies

3:00 p.m. – 4:30 p.m. Session 1: The shift to market-based financing—understanding and managing new risks

Market-based financing has been rapidly growing in many parts of the world. While this type of financing, which mainly provided through investment and pension funds as well as insurance firms, complements bank financing and is considered a healthy competition for banks and can help to diversify credit supply risks from the banking sector, it also poses a different set of challenges and risks from the traditional bank intermediation. The session will discuss the developments of market based financing and new approaches to managing associated challenges and risks, with the aim of building a safer and more resilient financing form for the real economy.

Moderator: Peter Dattels, Deputy Director, Monetary and Capital Markets Department, International Monetary Fund

Speakers: Seamus Brown, Strategist, Moore Capital Management
Barbara Novick, Vice Chairman, BlackRock
Andrzej Raczko, Member of the Management Board, National Bank of Poland
Gérard Rameix, President, Autorité des Marchés Financiers, France
Thursday, June 4, 2015

Venue: The International Monetary Fund
Headquarters 2, Conference Hall 1
1900 Pennsylvania Ave., N.W.
Washington, D.C.

9:00 a.m. – 9:30 a.m.  Check-in and Light Breakfast

9:30 a.m. – 9:55 a.m.  Opening Address
Speaker: José Viñals, Financial Counsellor and Director of the
Monetary and Capital Markets Department, International
Monetary Fund

10:00 a.m. – 11:30 a.m.  Session 2: What are the roles and limitations of market discipline?

The effectiveness of market discipline depends on timely disclosure of reliable
information and proper incentives and means to act on the disclosed information. Regulatory reform on effective resolution regimes and on corporate governance
addresses, to some extent, the incentives of investors to impose market
discipline and their ability to influence the behavior of management. The question
remains, however, as to whether these and other reforms have been sufficient to
enhance the role of market discipline in the overall architecture of financial
supervision. This session will review what has been done to improve risk
disclosure by financial institutions, and to address the incentives of financial
gatekeepers (such as external auditors and credit rating agencies) and investors
to validate, examine, and act on the disclosed information. To what extent does
market discipline complement prudential oversight and how can they reinforce each other going forward?

Moderator: Roberto Rocha, Senior Adviser, Finance and Markets Global
Practice, The World Bank Group

Speakers: Mark Flannery, Chief Economist, U.S. Securities and
Exchange Commission
Aerdt Houben, Director Financial Markets, Dutch National
Bank
Vincent Papa, Director of Financial Reporting Policy, CFA
Institute
Richard Thorpe, Advisor on Accounting and Auditing,
Financial Stability Board

11:30 a.m. – 11:45 a.m.  Coffee Break
11:45 a.m. – 1:15 p.m.  
Session 3: Enforcement on finance in the age of globalization

A number of high-profile compliance breakdowns at large global financial institutions in recent years have led to an increased vigilance on the part of bank supervisors. This session will discuss whether enforcement actions have been effective in discouraging financial institutions from engaging in undesirable activities. Are recent enforcement actions sufficiently punitive in relation to the profitability of the undesirable activities that they are intended to discourage? Furthermore, can an enforcement action be so excessive that it ultimately becomes counterproductive as it pushes activities outside of the regulated financial system?

Moderator: Michael Solomon, Associate Director, Board of Governors of the Federal Reserve System

Speakers: Wissam Fattouh, Secretary General, Union of Arab Banks  
          Daniel Glaser, Assistant Secretary, US Treasury  
          David Landsman, Executive Director, National Money Transmitters Association

1:30 p.m. – 2:45 p.m.  
Luncheon (by invitation only)  
Hosted by the Monetary and Capital Markets Department of the International Monetary Fund  
The International Monetary Fund  
Headquarters 2, Conference Hall 2  
1900 Pennsylvania Ave., N.W., Washington, D.C.

Keynote Speaker: Christine Lagarde, Managing Director, International Monetary Fund

2:45 p.m. – 4:15 p.m.  
Session 4: Cross-border resolution—the saga continues  

Cross-border resolution of financial institutions remains a significant challenge. While important initiatives have been agreed, such as the TLAC, there still are a number of impediments to orderly cross-border resolution. Resolution of global institutions other than G-SIBs, notably regionally-active banks and CCPs, is another important unresolved challenge. This session will take stock of ongoing efforts and discuss unaddressed issues.

Moderator: Ceyla Pazarbasioglu, Deputy Director, Monetary and Capital Markets Department, International Monetary Fund

Speakers: Christine Cumming, First Vice President, Federal Reserve Bank of New York  
          Wilson Ervin, Vice Chairman, Credit Suisse
Simon Gleeson, Partner, Clifford Chance LLP.
Masamichi Kono, Vice Minister for International Affairs, Japan Financial Services Agency

4:15 p.m. – 4:30 p.m.  Coffee Break

4:30 p.m. – 6:00 p.m.  Session 5: Cyber security in finance

Technological advance has allowed for faster and broader access to financial services and innovative financial solutions. However, with new opportunities come new challenges and operational risks. Cyber security is an issue that affects a broad range of financial sector entities, including banks, investment firms, payment systems, clearing houses and exchanges etc. This session will explore the financial stability implications of cyber threats and approaches that authorities could adopt to deal with evolving operational risks.

Moderator: Mario Guadamillas, Practice Manager, Finance and Markets Global Practice, The World Bank Group

Speakers: HO Hern Shin, Executive Director, Specialist Risk, Monetary Authority of Singapore
James Lewis, Director and Senior Fellow, Center for Strategic and International Studies
John Trundle, Chief Executive Officer, Euroclear UK & Ireland

6:30 p.m. – 8:00 p.m.  Dinner
Hosted by The World Bank Group
The World Bank, Main Complex
East Dining Room, C1 Level
1818 H. Street, N.W.
Washington, D.C.

Keynote Speaker: Gloria Grandolini, Senior Director, Finance and Markets Global Practice, The World Bank Group
**Friday, June 5, 2015**

**Venue:** The World Bank  
Main Complex Building  
Executive Board Room, Room MC13-121  
1818 H Street, N.W. (corner of 18th and H Streets)  
Washington, D.C.

9:30 a.m. – 10:00 a.m. **Check-in and Light Breakfast**

10:00 a.m. – 10:10 a.m. **Welcoming Remarks**  
Gloria Grandolini, Senior Director, Finance and Markets Global Practice, The World Bank Group

10:10 a.m. – 10:25 a.m. **Opening Address**  
Jim Yong Kim, President, The World Bank Group

10:25 a.m. – 12:25 p.m. **Session 6: Supervisory governance and structure—addressing the new challenges**

The way supervisors organize themselves, approach supervision, and measure effectiveness matters immensely in outcomes. This session will discuss the latest thinking on supervisory governance and structure and its practical implications. Supervisory structure and governance arrangements vary across countries and there is no one-size-fits-all model. Rather than discussing governance and structure in isolation, this session will examine what arrangements are best suited to address some of the big problems faced by supervisors (managing conflict of objectives, striking a balance between rules and discretion, ensuring both the safety and soundness of individual institutions and the stability of the system, etc.) and how to go beyond enforcing compliance and do better at identifying new risks and acting on them.

**Moderator:** Augusto de la Torre, Chief Economist, Latin America & Caribbean, The World Bank Group

**Speakers:** Keith Chapman, Executive General Manager, Diversified Institutions Division, Australian Prudential Regulation Authority  
Kevin Cowan, Alternate Executive Director, Inter-American Development Bank  
Francois Groepe, Deputy Governor, South African Reserve Bank  
Donato Masciandaro, Professor, Bocconi University
12:25 p.m. – 12:40 p.m.  

**Closing Remarks**

Michaela Erbenova, Division Chief, Monetary and Capital Markets Department, International Monetary Fund

Mario Guadamillas, Practice Manager, Finance and Markets Global Practice, The World Bank Group

Sarkis Yoghourtjian, Adviser, Division of Banking Supervision and Regulation, Board of Governors of the Federal Reserve System

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**Program Managers**

Haocong Ren, Financial Sector Specialist, Finance and Markets Global Practice, The World Bank Group

Mamoru Yanase, Senior Financial Sector Expert, Monetary and Capital Markets Department, International Monetary Fund

Sarkis Yoghourtjian, Adviser, Division of Banking Supervision and Regulation, Board of Governors of the Federal Reserve System