# AGENDA

**Wednesday, June 06, 2018**

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

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<th>Time</th>
<th>Event</th>
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<tbody>
<tr>
<td>1:00 – 1:30</td>
<td>Registration</td>
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<tr>
<td>1:30 – 1:45</td>
<td>Welcoming Remarks and Administrative Announcements</td>
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<td></td>
<td>Amol Vaidya, Program Director, Division of Banking Supervision and</td>
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<td>Regulation, Board of Governors of the Federal Reserve System</td>
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<td>1:45 – 1:50</td>
<td>Welcome and Introduction of Randal K. Quarles, Vice Chairman for</td>
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<td>Supervision, Board of Governors of the Federal Reserve System by</td>
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<td>Michael Gibson, Director, Division of Banking Supervision and</td>
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<td>Regulation</td>
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<td>1:50 – 2:15</td>
<td>Group Photograph (Eccles Building Front Steps) / Coffee Break</td>
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<tr>
<td>2:15 – 2:45</td>
<td>Keynote Address</td>
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<td>Randal K. Quarles, Vice Chairman for Supervision, Board of Governors</td>
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<td>of the Federal Reserve System</td>
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<td>2:45 – 4:15</td>
<td>Session 1: Regulatory Reform: Have we got what we want?</td>
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Almost 10 years after the financial crisis the Basel Committee published a final set of standards completing Basel III. The sweeping reform agenda has produced significant success making the financial system more resilient. Nevertheless, as the memory of Global Financial Crisis fades and new political scenarios develop, general regulatory fatigue and industry pushback risk turning the clock back on several reform components. Is the regulatory work done? Are there risks that were left unaddressed? Has implementation of the reforms reduced the availability of financial services or originated other unintended consequences? Is there a case to roll back pieces of the framework?

**Moderator:** Michael Gibson, Director, Supervision & Regulation Division, Board of Governors of the Federal Reserve System

**Speakers:** William Coen, Secretary General, Basel Committee on Banking Supervision
Coffee Break

Session 2: Crisis Management: Are we ready to handle failures?

Even with strong regulation and supervision, banks’ failure cannot completely be avoided. While our understanding on crisis management and resolution has advanced significantly since the financial crisis, many of the new toolkits are not yet fully tested and appropriately implemented. To effectively manage financial crisis developments that unfold with incredible speed, supervisors need to ensure that their crisis management toolkit is ready in advance. Which governance and institutional arrangements favor timely decision making? How to establish an effective communication strategy that can booster confidence while not downplaying risks? What has been the main challenges to ensure effective recovery and resolution plans? What are the pragmatic challenges in applying bail-in, including its desirability in the emerging market? How could policy makers enhance their crisis preparedness, considering that the next crisis might hit us from an unforeseen angle?

Moderator: Barbara Bouchard, Senior Associate Director, Supervision & Regulation Division, Board of Governors of the Federal Reserve System

Speakers:

John C. Gerspach, Chief Financial Officer, Citigroup

Mr. Neel Kashkari, President, Federal Reserve Bank of Minneapolis

Rick Delfin, Director, Office of Complex Financial Institutions, Federal Deposit Insurance Corporation

Randall Guynn, Partner, Davis Polk & Wardwell LLP

5:30 – 6:30 Reception (registered participants & invitees only)
Hosted by the Board of Governors of the Federal Reserve System, Eccles Building Atrium
Thursday, June 7, 2018

**Venue:** The International Monetary Fund
Headquarters 1 Building, Meeting Halls A & B
700 19th Street, N.W.
Washington, D.C.

9:00 – 9:30  **Check-in and Light Breakfast**

9:30 – 9:40  **Welcome remarks and Introduction of David Lipton by Tobias Adrian, Financial Counsellor and Director, Monetary and Capital Markets Department.**

9:40 – 10:00  **Welcoming Remarks**
David Lipton, First Deputy Managing Director, International Monetary Fund

10:00 – 10:30  **Keynote**
Joseph Lubin, Founder and Co-founder; ConsenSys and Ethereum

10:30 – 10:45  **Coffee Break**

10:45 – 12:30  **Session 3: How should the regulatory framework be adjusted to incorporate Fintech?**

Artificial intelligence, big data, distributed ledger technology and other technological advances have the potential to increase access to financial services and enhance the efficiency of the whole industry. Resulting changes on financial service provision, business models and market structures may challenge the traditional boundaries of financial sectors, as exemplified by several products by emerging Fintech firms. Regulators may need to rethink the existing regulatory framework and perimeters to cope with these developments. How regulators can protect consumers of financial products and ensure financial stability while fostering innovation and market development? Will licensing regimes need to be redesigned to bring new types of services and providers within the regulatory perimeter? Is there a case for more fundamental changes, such as transition to more “activity-based” regulations, if “unbundling” of financial service provisions intensifies in the future? What are the lessons from countries that are in the forefront of this challenge?

**Moderator:** Tobias Adrian, Financial Counsellor and Director, Monetary and Capital Markets Department, International Monetary Fund.

**Speakers:**

Kelvin Chen, Manager, Operational Risk Section, Division of Supervision & Regulation, Board of Governors of the Federal Reserve System

Rene Weber, Head of Policy Coordination, State Secretariat for International Finance, Switzerland

Alvaro Martin, Lead Economist – Digital Regulation, BBVA

Kevin Phillips, Head of Corporate Development, Kabbage
12:30 – 1:45 Luncheon (registered participants & invitees only)
The International Monetary Fund
Headquarters 1 Building, C-707, 713 & 719
700 19th Street, N.W.
Washington, D.C.

1:45 – 3:15 Session 4: Regtech and suptech: where do we see the frontier?
The progress in Fin Tech also stirred interest in utilizing these technologies for regulatory compliance (“regtech”), as well as for authorities themselves (“suptech”). Spread of machine learning and artificial intelligence, together with increase in the availability and processing capacity for data have already led to practical application on several fields, including AML/CFT and market conduct. Application to prudential regulations, risk management and macroprudential surveillance are also explored. What has been the experience so far? Where do we see further possibilities, as well as potential limitations? How should the regulatory and supervisory regime change, to fully reap the benefits both from automated processes and human-based judgment? What are the opportunities and risks, in face of these new developments?

Moderator: Sebastian Molineus, Director, Finance, Competitiveness and Innovation Global Practice, World Bank Group

Speakers:
Slavka Eley, Head of Banking Markets, Innovation and Products Unit, European Banking Authority
Grace Brasington, Global Leader for Risk and Compliance, Watson Financial Services Solutions, IBM
Johannes Turner, Director, Statistics Department, Oesterreichische Nationalbank
Bernardo Gonzalez, President, Comisión Nacional Bancaria y de Valores (CNBV)

3:15 – 3:30 Coffee Break

3:30 – 5:15 Session 5: Can regulatory changes mitigate the sovereign-bank nexus?
The close and complex relationship between sovereigns and banking systems can act as a transmitter and amplifier of financial and fiscal shocks. The links are multiple including the large amount of sovereign debt hold by banks and the safety-net that protect banks with government guarantees. Post-crisis reforms have attempt to tackle the issue by addressing the too-big-to-fail problem but regulators have not been able to agree on the prudential treatment of banks exposures to sovereigns that some claim are excessive lenient and generate excessive sovereign debt holdings. What policies could lower the potency of the amplification mechanism? Should regulators create incentives for banks to diversify their exposures to sovereign bonds? What are the options available? How should we weigh potential impact on the functioning of sovereign debt market?
Friday, June 8, 2018

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

9:00 – 9:20  **Check-in and Light Breakfast**

9:20 – 9:30  **Opening Remarks**
Alfonso Garcia Mora, Director, Finance, Competitiveness and Innovation Global Practice, World Bank Group

9:30 – 10:00  **Keynote address**
Joaquim Levy, Managing Director and Chief Financial Officer, World Bank Group

10:00 – 12:00  **Session 6: How to effectively apply the proportionality principle in banking prudential regulation**

The reform provided a good response to regulatory weaknesses, but has focused primarily on large international financial institutions and sophisticated financial markets. To build an effective prudential framework, regulators in EMDEs might need to adapt international standards to the specific circumstances and characteristics of their markets. In addition, the increased complexity of the regulatory framework might generate compliance costs that are excessive for small local banks. Are Basel III standards appropriate for EMDEs? What kind of adjustments are necessary to make it fit the needs of less advanced financial markets, while maintaining appropriate conservatism? How, in practice, the principle of proportionality has been applied to the regulation of smaller banks? Does regulatory proportionality generate meaningful side effects such as regulatory fragmentation and arbitrage?
Moderator:  Aditya Narain, Deputy Director, Monetary and Capital Markets Department, International Monetary Fund

Speakers:

Ms. Chuchi Fonacier, Deputy Governor, The Central Bank of Philippines

Mr. Joao Andre Calvino Marques Pereira, Head of the Financial System Regulation Department, Central Bank of Brazil

Mr. Robert S. Nichols, President and CEO, American Bankers Assn

Mr. Andrew Powell, Principal Advisor, Inter-American Development Bank

12:00 – 12:15  
**Closing Remarks**

Caio Ferreira, Sr. Financial Sector Expert, Monetary and Capital Markets Department, International Monetary Fund

Yira Mascaro, Practice Manager, Financial Stability and Integrity, World Bank Group

Amol Vaidya, Program Manager, Division of Supervision and Regulation, Board of Governors of the Federal Reserve System

12:15 – 1:15  
**Reception** (registered participants & invitees only)

Hosted by the World Bank
Outside MC13-121
1818 H Street, N.W. (corner of 18th and H Streets)
Washington, D.C.

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