

FINANCIAL STABILITY CONFERENCE 2021

Failing forward or taking momentum: Covid-19 systemic effects, climate change emergencies and defects of the current crisis management framework – Investigating the consequences and advancing on appropriate policies

Organiser: FRS Financial Risk and Stability gGmbH

Organising Committee: Martin Aehling, Arnoud Boot, Stefan Janßen, Bart Joosen, Luis Morais

18 - 19 November 2021 | online (virtual event)

18 Nov. | 10:00 – 16:50 CET | conference

19 Nov. | 10:00 – 12:00 CET | conference

19 Nov. | 13:00 – 16:50 CET | workshop

open public events | no in advance registration required

Information & Agenda: <http://financial-stability.org/conference-2021/>

The organisers take a foremost policy-oriented stance to discuss some of the most crucial issues lying ahead.

Central questions will be:

- how to address and manage detrimental systemic repercussions of the Covid-19 crisis impacts,
- how to address climate change risks and ensure the urgent transition to a low-carbon economy,
- how to redefine roles and the mandate of the ECB and central banks in the era of climate change,
- how to overhaul and refine the current EU's crisis management and deposit insurance framework.

Programme schedule

First conference day 18 November:

10:00 Opening Day 1

Martin Aehling, Director, Financial Risk and Stability Network

10:10 Keynote Speech

The prudential treatment of climate risks: The challenges

Fernando Restoy, Chair, Financial Stability Institute, Bank for International Settlements

followed by a Q&A session with:

Arnoud Boot, Professor of Corporate Finance and Financial Markets, University of Amsterdam

10:40 Panel I – Impulses

Francesco Mazzaferro, Head of the Secretariat, European Systemic Risk Board

Luis Garicano, MEP, Leader of Ciudadanos in Europe, Vice President for Economic Affairs of Renew Europe

11:00 Panel I – Discussion

Impact of the Covid-19-crisis on banks, financial stability and the Euro area:

How to address negative effects and manage detrimental systemic repercussions?

Luis Garicano, MEP, Leader of Ciudadanos in Europe, Vice President for Economic Affairs of Renew Europe

Francesco Mazzaferro, Head of the Secretariat, European Systemic Risk Board

Christian Stiefmüller, Senior Research and Advocacy Advisor, Finance Watch

Rolf Strauch, Chief Economist and Management Board Member, European Stability Mechanism

Moderation: **Arnoud Boot**, Professor of Corporate Finance and Financial Markets, University of Amsterdam

12:30 *Break*

13:10 Panel II – Presentation

**Banking on carbon: Corporate lending and cap-and-trade policy
– Experiences from the US**

Ivan Ivanov, Principal Economist, Research and Statistics, Federal Reserve Board of Governors

13:20 Panel II – Discussion

**Facing the existential threat of climate change: How to address the entrenched risks
and ensure an encompassing transition to a low-carbon economy**

Kern Alexander, Chair for Law and Finance and Professor of Banking Regulation, University of Zurich

Matthias Buck, Director of European Energy Policy, Agora Energiewende

Michael Engelhard, Head of Banking Supervision and Governmental Affairs,
German Savings Banks Association

Paul Tang, MEP, Partij van de Arbeid, Group of Socialists and Democrats

Moderation: **Bart Joosen**, Professor of Financial Supervision Law, VU University Amsterdam

14:40 *Break*

15:00 Panel III – Impulses

Theresa Löber, Co-Head Climate Hub, Bank of England

Luděk Niedermayer, MEP, Group of the European People's Party, Vice Chair, ECON Committee

15:20 Panel III – Discussion

**The new role of central banks in the era of climate change:
How to redefine mandates, address trade-offs, concretise and operationalise green policies?**

Ignazio Angeloni, Research Fellow, Harvard Kennedy School, and Senior Policy Fellow, SAFE,
Goethe University Frankfurt

Justine Leigh-Bell, Executive Director, Anthropocene Fixed Income Institute, and Senior Advisor,
Climate Bonds Initiative

Theresa Löber, Co-Head Climate Hub, Bank of England

Luděk Niedermayer, MEP, Group of the European People's Party, Vice Chair, ECON Committee

Moderation: **Nicolas Véron**, Senior Fellow, Peterson Institute for International Economics and Bruegel

16:50 Conference end first day

Programme schedule

Second conference day 19 November:

10:00 Opening Day 2

Martin Aehling, Director, Financial Risk and Stability Network

10:05 Keynote Speech

Strengthening banking resilience in the Banking Union

Kerstin af Jochnick, Member of the Supervisory Board, European Central Bank

followed by a Q&A session with:

Luís Silva Morais, Professor of Law, University of Lisbon, and Founding Partner, LSM Advogados

10:40 Panel IV – Impulse

Marie Donnay, Head of Unit Resolution and Deposit Insurance, European Commission

10:50 Panel IV – Discussion

**The Commission's review of the crisis management and deposit insurance framework:
Identifying the bypasses and clearing up the impediments to orderly resolution**

Marie Donnay, Head of Unit Resolution and Deposit Insurance, European Commission

Samy Harraz, Head of Strategy, International Relations and Communications, Single Resolution Board

Sébastien Raspiller, Director, French Treasury, Ministry of the Economy, Finance and the Recovery Plan

Sven Schelo, Partner, Restructuring and Insolvency, Linklaters

Moderation: **Luís Silva Morais**, Professor of Law, University of Lisbon, and Founding Partner, LSM Advogados

12:00 Closing | End of the Conference

The Organisers

FSC Research Workshop 2021 – PROGRAMME

19 November 2021 | 12:55 – 16:50 CET | online

Policy-oriented workshop to address topical aspects in the 4 thematic clusters of the call for policy contributions. The workshop deepens and discusses relevant aspects of the preceding conference topics and accompanies the Financial Stability Conference.

The workshop discusses critical aspects in the context of corona crisis, climate change risks and crisis management. The challenge is to give a brief and focused policy-oriented presentation in a clear and structured way. Presenters are encouraged to focus on results, conclusions and policy options in a way that non-academics understand. A general request is to refrain from model explaining, but to highlight policy-oriented aspects. Thus, the workshop is as well intended to bring scientists closer to policy debates.

Programme schedule:

12:55 Welcome

Martin Aehling, Director, Financial Risk and Stability Network

13:00 Session I

Presentation

Covid-19: What determines policy responses across Europe?

Elias Bengtsson, Department of Economics, University of Gothenburg

Discussion

13:15 Discussant: **Bart Joosen**, Professor of Financial Supervision Law, VU University Amsterdam

13:25 Q&A audience

13:45 END of the session

Moderation: **Steven L. Schwarcz**, Stanley A. Star Distinguished Professor of Law and Business, Duke University

13:50 Session II

Presentation

ECB significant bank risk profile and Covid-19 crisis containment phase: What approach in the transitioning phase?

Dalvinder Singh, School of Law, University of Warwick

Discussion

14:05 Discussant: **Tamarah Shakir**, Deputy Head, Systemic Risk and Financial Institutions Division, European Central Bank

14:15 Q&A audience

14:35 END of the session

Moderation: **Arnoud Boot**, Professor of Corporate Finance and Financial Markets, University of Amsterdam

14:35 Special Session

Presentation

Key points of the current issue of the Financial Stability Review by the European Central Bank (to be published around 17 Nov.)

Tamarah Shakir, Deputy Head, Systemic Risk and Financial Institutions Division, European Central Bank

14:45 Discussion virtual audience

15:00 END of the special session

Moderation: **Arnoud Boot**, Professor of Corporate Finance and Financial Markets, University of Amsterdam

15:00 Break

15:10 Session III

Presentation

Stress testing the climate: Designing scenarios for sustainable development goals

Stavros Pantos, PhD Candidate, University of Reading

Discussion

15:25 Discussant: **Alexander Lehmann**, Head Sustainable World Academy, Frankfurt School of Finance, and non-resident fellow, Bruegel

15:35 Q&A audience

15:55 END of the session

Moderation: **Deyan Radev**, Assistant Professor of FinTech and Banking, Sofia University

16:00 Session IV

Presentation

Finding the right shade of green: Different approaches of EU central banks to climate change

Agnieszka Smoleńska, Associate Researcher, European Banking Institute

Discussion

16:15 Discussant: **Maria Nieto**, Senior Adviser, Bank of Spain

16:25 Q&A audience

16:45 END of the session

Moderation: **Stefan Janßen**, Professor for Corporate Finance and Banking, Jade University of Applied Sciences

16:45 Closing

Stefan Janßen, Professor for Corporate Finance and Banking, Jade University of Applied Sciences

16:50 Workshop END