

BANKING SUPERVISION: LEADERSHIP IN THE TIMES OF FINTECH

JUNE 9-14, 2019

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Location:
Toronto, Canada

Program Agenda

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BANKING SUPERVISION: LEADERSHIP IN THE TIMES OF FINTECH

JUNE 9-14, 2019

Location:
Toronto, Canada

Sunday, June 9

08:00 Networking Tour to Niagara Falls

18:00 Program Overview, Icebreaker and Welcome Dinner

Monday, June 10

08:15 Welcome and Opening Remarks

Babak Abbaszadeh, President and CEO, Toronto Centre.

Group Photograph

08:45 SESSION 1:

Context for change

Clive Briault, Chair, Banking Advisory Board, Toronto Centre and former Managing Director, Financial Services Authority (FSA), UK.

- Implementation of international standards
- Financial innovations: fintech, regtech and supotech
- Cyber security and technology risk
- Financial inclusion and gender equality
- Climate change
- Implications for the leadership of supervisory authorities

10:30 Coffee Break

10:45 SESSION 2:

Group Activity

Clive Briault and Demet Canakci, Program Director, Toronto Centre

Designed to capture what participants assess as the main priorities and supervisory challenges faced in their authorities.



11:30 The Regulator's and Supervisor's Constant Challenge: Keeping Up with Innovation" *Keynote speech by Timothy Massad, Harvard University.*

12:30 Lunch

13:30 SESSION 3:
Leadership Challenges for Financial Supervisors (1):

Action Planning

Demet Canakci

- How to analyze a situation and develop a clear and concise statement of a problem
- How to identify preferred outcomes, develop a goal statement, and consider alternative ways to reach the goal
- How to develop an action plan, and consider contingencies and how to deal with them
- Mini case study

15:00 Coffee Break

15:15 SESSION 4:
Leadership Challenges for Financial Supervisors (2):

Communications with Stakeholders

Demet Canakci

- Analyze stakeholders – who are they, what are they likely to like and dislike about your proposal, and what is needed to get their support and/or overcome their resistance
- Four-box model for effective persuasion and communication
- How to build a “burning platform” for change
- Group activity

17:00 Action Planning

Participants will start applying the action planning methodology with the assistance of the Program Leaders. The focus will be on understanding the situation and developing a precise definition of the challenge identified.



Tuesday, June 11

08:15 Ideas I Will Use

08:30 **SESSION 5:**

Macro-prudential policy and stress testing

Clive Briault

- Identifying risks to financial stability
- Systemic risk, contagion and interconnection effects
- Objectives of stress testing
- Calibrating and running a stress test
- Group activity

10:30 Coffee Break

10:45 **SESSION 6:**

Climate change

Clive Briault

- What is link between climate change and banking supervision?
- The impact of climate change on banks' own risks
- Should we use banking regulation and supervision to support "green finance"?
- Factoring climate change into stress testing

12:30 Lunch

13:30 **SESSION 7:**

Fintech: Innovations and opportunities

Denise Dias, Consultant and Program Leader, Toronto Centre and former Senior Financial Sector Expert, the World Bank Group.

- What is fintech?
- What are the main developments so far?
- What are the benefits to the financial system and financial services?
- What opportunities do they bring for banks and their customers?

15:30 Coffee Break

15:45 **SESSION 8:**

Fintech: Risks

Clive Briault

- Fintech applications bring risks as well as opportunities
- Risks to consumers, firms and potentially to financial stability
- How regulators have set out these risks
- Case study

17:00 **Action Planning**

Participants will continue to work on their Action Plans with the assistance of the Program Leaders. The focus will be on setting goals and outlining their plans.



Wednesday, June 12

08:15 Ideas I Will Use

08:30 **SESSION 9:**

Regulatory and supervisory responses to fintech

Denise Dias

- How are regulators and supervisors responding to fintech-related risks?
- Development of international standards
- National implementation of international standards and national regulatory initiatives
- Supervision of fintech-related risks
- Implications for supervisory authorities - leadership, resourcing and change management
- Suptech opportunities to improve supervisory methods and processes
- Facilitation of innovation- innovation hubs, accelerators and regulatory sandboxes

10:30 Coffee Break

10:45 **SESSION 9 (cont'd):**

Regulatory and supervisory responses to fintech- Group exercise

Denise Dias

12:30 Lunch

13:30 **SESSION 10:**

Continuing challenges in supervision (1): Corporate governance

Clive Briault

- What is corporate governance?
- The importance of culture, value and behaviours
- Why corporate governance is important for supervisors
- Lessons from the financial crisis
- What can supervisors do to improve corporate governance in banks?
- Case study on HBOS

15:00 Coffee Break

15:15 **SESSION 10 (cont'd):**

Continuing challenges in supervision (1): Corporate governance

Clive Briault

16:30 Action Planning

Participants continue to work on their Action Plans. Focus will be on completing the details of the plan to address the challenges identified, analyzing stakeholders and defining the communication strategy to gain support

Thursday, June 13

08:15 Ideas I Will Use

08:30 **SESSION 11:**

Continuing challenges in supervision (2): Recovery planning and resolution

Clive Briault

- Essential elements of good recovery plans
- Recovery planning and supervision
- Supervisory colleges
- Resolution toolkit and effective formulation of resolution strategies and plans
- Assessing the adequacy of resolution plans and choice of tools
- Total loss absorbing capacity (TLAC)
- Group exercise

10:30 Coffee Break

10:45 **SESSION 11 (cont'd):**

Continuing challenges in supervision (2): Recovery planning and resolution

Clive Briault

12:30 Lunch

13:30 **SESSION 12:**

Evolving operational risks: Cyber security and technology risk

Abhilash Bhachech, Consultant and Program Leader, Toronto Centre and former Managing Director, the Office of the Superintendent of Financial Institutions (OSFI).

- Supervisory challenges in cyber security
- Supervision of technology risk
- Case study

15:15 Coffee Break

15:30 **SESSION 12 (Cont'd):**

Evolving operational risks: Cyber security and technology risk

Abhilash Bhachech

17:00 Action Planning

Participants will finalize their action plans for presentation on Friday.

Friday, June 14

08:15 Ideas I Will Use

08:30 SESSION 13:

Action Plan Presentations by Participants

Participants will present their Action Plans to the group and receive feedback from the Program Leaders and colleagues.

10:30 Coffee Break

10:45 SESSION 14:

Panel Discussion

Participants to submit questions during the week.

12:00 Closing Ceremony and Certificate Presentation

12:30 Lunch followed by “Discover Toronto” tour

18:30 Farewell Dinner at CN Tower

