AGENDA
VIRTUAL PROGRAM ON
CRISIS PREPAREDNESS AND RESOLUTION OPTIONS
FOR FINANCIAL REGULATORS & SUPERVISORS,
CENTRAL BANKERS, DEPOSIT INSURANCE AND
SENIOR MINISTRY OF FINANCE OFFICIALS
SEPTEMBER 28 – OCTOBER 2, 2020
STOCKHOLM TIME ZONE
CRISIS PREPAREDNESS AND RESOLUTION OPTIONS

For Financial Regulators & Supervisors, Central Bankers, Deposit Insurance and Senior Ministry of Finance officials

Stockholm, Sweden, September 28 – October 2, 2020

Virtually Hosted by Sveriges Riksbank

(Brunkebergstorg 11, Stockholm)

Jointly organized by the Toronto Leadership Centre and Sveriges Riksbank

with funding from the Canadian Global Affairs Department, International Monetary Fund and Swedish International Development Cooperation Agency

Objectives

The Program is designed to provide participants with tools to assist them in their surveillance of the financial sector and to take necessary measures when alerted to an impending crisis. It also provides them with the opportunity to practice the roles that monetary policy makers in central banks, supervisory/regulatory authorities and deposit insurance corporations play in managing a crisis arising from problems in a potentially systemic financial institution. The case studies and computer-simulated exercises will explore how central bankers, supervisors and deposit insurers co-ordinate with each other and with other authorities nationally and internationally during a crisis, and the tools available to them to deal with the systemic consequences of a bank failure.

Expected outcomes

Participants will learn how to use various indicators and approaches to carry out their surveillance of financial institutions and the financial system and to alert them of risks of impending problems and crisis. They will also learn about assessments of SIFIs, management of the media in times of crisis, how to choose the most
relevant from among the resolution options available, including assessing various costs involved in bail-ins including consideration of creditor compensation and various cost elements and how to prepare contingency plans to manage crises.

**Methodology**

The Toronto Centre uses a highly interactive approach teaching through the use of case studies, lectures, simulations and exercises and participants have to work in virtual table groups on group activities on issues raised in the case studies and lectures. In a simulated environment, the participants will be able to (i) practise using processes of contingency planning and choosing among possible resolution options for dealing with failing banks; (ii) co-ordinate with supervisors, central banks and deposit insurers and with other authorities nationally and internationally in a crisis; and (iii) deal with systemic consequences of a bank failure. At the end of the Program, participants will be able to examine the critical components of a crisis preparedness/contingency planning guide in the event of a financial crisis, in accordance to international best practices.

**Target Group**

The Program is designed for middle/senior level supervisors and regulators from ODA-eligible countries with responsibilities in managing financial stability, financial surveillance and supervision of banking institutions, and central bankers involved in monetary policy and operations. The program is also highly relevant to staff of deposit insurance corporations.
Thursday, September 24, 2020
13:00 – Orientation and Networking
15:00

Monday, September 28, 2020
11:30 – OPENING CEREMONY
11:50 Welcome Remarks
- Sveriges Riksbank
- Toronto Centre
Group Zoom Photo

11:50 – Context for Change
12:50 Clive Briault
Current developments which will have implications for the work of supervisors

12:50 – BREAK
13:00

13:00 – Systemic impact assessments using heat map
14:00 David Farelius
- Presentation of simple framework for systemic impact assessment using a heat map and a practical example of how to apply the heat map
- Group activity

14:00 – BREAK
14:10

14:10 – Use of Central Bank Instruments, and Fiscal and Prudential Measures for Dealing with Financial Crises
15:00 Jonas Niemeyer
Through the use of mini cases, discuss the use and effectiveness of different tools (central bank instruments, fiscal and prudential measures) for different circumstances
- Legal and financial instruments available to central banks during financial crisis
- ELA, OMO, quantitative easing, collateral requirements rules and flexibility
- Solvency criteria
- System wide liquidity monitoring
Meaning and application of systemic risk criteria
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<tr>
<th>Time</th>
<th>Session Title</th>
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<tbody>
<tr>
<td>15:00</td>
<td><strong>Keynote Remarks and Interactive Q&amp;A</strong></td>
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<td><em>Stefan Ingves, Governor of Sveriges Riksbank</em></td>
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<td>15:30</td>
<td><strong>BREAK</strong></td>
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<tr>
<td>15:40</td>
<td><strong>Use of Central Bank Instruments, and Fiscal and Prudential Measures</strong></td>
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<td><em>for Dealing with Financial Crises (cont’d)</em></td>
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<td><em>Jonas Niemeyer</em></td>
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<td>16:50</td>
<td><strong>DAILY EVALUATION</strong></td>
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<td>17:00</td>
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Tuesday, September 29, 2020

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<tr>
<th>Time</th>
<th>Session Title</th>
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<tr>
<td>12:00</td>
<td><strong>Ideas I will use</strong></td>
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<td>12:15</td>
<td><strong>How to strengthen the resilience of the financial sector -</strong></td>
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<td>13:15</td>
<td><strong>Macroprudential Policy</strong></td>
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<td><em>Petra Lennartsdotter</em></td>
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<td>Systemic risk, macroprudential policy, tools and institutional frameworks</td>
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<td>13:15</td>
<td><strong>BREAK</strong></td>
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<td>13:25</td>
<td><strong>Effective Communication in Times of Crisis</strong></td>
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<td>14:30</td>
<td><strong>Cecilia Skingsley</strong></td>
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<td>How communications supports the management of a crisis</td>
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<td>Who are the stakeholders</td>
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<td>What messages, when and why</td>
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<td>Choice of methods</td>
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<td>Preparation and execution</td>
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<td>Case activity</td>
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<td>14:30</td>
<td><strong>BREAK</strong></td>
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14:40 – **Contingency Planning**

15:40  
*Clive Briault*

The role and importance of contingency planning
- Costs and benefits of contingency planning
- How to develop contingency plans
- Elements of contingency planning
- Crisis preparedness resource materials (the crisis binder)
- Inter-agency contingency plans
- Simulating crises to test readiness
- Updating legal powers, resources and crisis planning.
- Minimizing cost of resolution to government
- Workshop on contingency planning

15:40 – **BREAK**

15:50

15:50 – **Contingency Planning (cont’d)**

16:50  
*Clive Briault*

16:50 – **DAILY EVALUATION**

17:00

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Wednesday, September 30, 2020

12:00 – **Ideas I will Use**

12:15

12:15 – **Resolution Strategies and Plans: Overview**

13:30  
*Clive Briault*

- Key attributes for effective resolutions. Do you have all the necessary powers and tools?
- Bail-in: how to make it work?
- Cross border and home-host issues

13:30 – **BREAK**

13:40
13:40 – Resolution Strategies and Plans (Group Activity) Simulation on cross-country crisis resolution

Clive Briault

Participants will be placed in one of three country groups and will be given balance sheet information. As the situation unfolds they will have to analyse and prepare for negotiations with the authorities in the other countries. They will:

• Analyse the resolvability of the bank
• Decide what measures should be taken as part of resolution planning
• Decide how to apply a resolution strategy
• Other issues depending on the options selected.

14:50 – BREAK
15:00
15:00 – Resolution Strategies and Plans (Group Activity) Simulation on cross-country crisis resolution (cont’d)

Clive Briault

16:00 – BREAK
16:10
16:10 – Briefing and intro session on Crisis Simulation Exercise

Clive Briault

16:50 – DAILY EVALUATION
17:00

Thursday, October 1, 2020
12:00 – Getting ready and Practice on Gmail system
12:30
12:30 – Financial Crisis Simulation Exercise Stages 1 and 2
16:30

Friday, October 2, 2020
12:00 – Getting ready
12:15
12:15 – Financial Crisis Simulation Exercise Stage 3
15:00
15:00 – BREAK
15:10
15:10 – Crisis Simulation – Plenary Session Discussion and Debrief
16:40

Clive Briault
16:40  –  Final Course Evaluation
16:50
16:50  –  CLOSING CEREMONY
17:00