

LSE Financial Markets Group and Deutsche Bank
Conference on:

Assessing the Effectiveness of the New Regulatory Architecture

October 18, 2010

The Waldorf Hilton, Aldwych, WC2B 4DD

Conference Programme

8:15 Registration Opens

8:50 Opening remarks and conference objectives: **Christopher Polk (Director, FMG)**

9:05 **Session 1: The Financial Reform Agenda “Macro-prudential Regulation”**

Chair: **Professor Ron Anderson (LSE, FMG)**

Address: “The New Regulatory Architecture: A Critical Assessment of Basel III”, Professor Rafael Repullo (Center for Monetary and Financial Studies CEMFI)

Basel III involves:

- (i) Raising the quantity and quality of regulatory capital;
- (ii) Enhancing the risk coverage of capital requirements;
- (iii) Introducing a leverage ratio;
- (iv) Addressing systemically important financial institutions;
- (v) Reducing Pro-cyclicality and;
- (vi) Introducing liquidity requirements

The presentation will provide a critical assessment of these elements with a special focus on the last two.

9:50 **Panel: Solving the “Too Big To Fail” Problem: Livings Wills, Crisis Management and Special Resolution Regimes**

Moderator: **Professor Ron Anderson (LSE, FMG)**

Panelists: **Thomas Huertas (FSA); Wilson Ervin (Credit Suisse); Christian Lajoie (BNP Paribas); David Wright (EU Commission)**

- Has the Dodd-Frank US financial reform addressed the ‘too big to fail’ problem?
- What is needed to assure a pan-European solution to the ‘too big to fail’ problem in the EU?
- How can living wills be made effective in enhancing financial stability?
- What is the scope for regulatory discretion in resolving troubled institutions?
- What is the role, if any, of restrictions on prop trading or other activities?
- How should the fiscal burden be shared?
- How can regulators/supervisors enhance the assessments of vulnerabilities and their crisis management?

11:10 Coffee Break

11:30 **Session 2a : Keynote Address : Jacques de Larosière (BNP Paribas)**
Chair: Professor Charles Goodhart (FMG, LSE)

12:15 **Session 2b: Keynote Address: Dr. Josef Ackermann (Deutsche Bank)**
"The New Architecture of Financial Regulation: Will it prevent another Global Crisis?"
Chair: Professor Charles Goodhart (FMG, LSE)

13:00 Buffet Lunch

14:00 **Session 3: Building shock absorbers into key markets, clearing systems and institutions**

Moderator: Professor Alan Morrison, (Oxford University)

Panelists: Jean-Pierre Landau (Banque de France); Jacques Aigrain (Chairman, LCH.Clearnet); Dr. Thomas Book (Eurex)

In what ways can the shock absorbers in key markets and clearing systems be strengthened so they do not magnify financial stress?

15:30 Coffee Break

16:00 **Session 4: Wrap-Up Panel: Comprehensive Global Reform of Financial Regulation: What's right and what's not?**

Moderator: Professor David Webb (LSE, FMG)

Panelists: Peter Praet (National Bank of Belgium); Dr. Hugo Banziger (Deutsche Bank); Professor Charles Goodhart (FMG, LSE)

The major purpose of this session is to get a handle on the important elements of needed financial reform that are not yet being addressed adequately by policymakers.

17.30 Conference Close