

**Overview of Financial Sector Issues and Analysis Course:
Financial Sector Practices and Policies after the 2007-2008 Crisis
May 16 – May 20, 2011**

Preston Auditorium • World Bank MC building • 1818 H St., NW • Washington, D.C. 20433

AGENDA

MONDAY, MAY 16, 2011	
8:15 am	Registration
9:00 am	Welcome and opening remarks
9:30 am	<p><u>Session 1: The role and importance of the financial sector</u> <i>Ross Levine, Brown University</i> The session will feature a leading academic expert on financial sector development discussing why and how the financial sector matters for growth and poverty alleviation.</p>
10:30 am	Break
11:00 am	<p><u>Session 2: Panel on the long-term policy lessons from the crisis</u> <i>Shanta Devarajan, Office of the Chief Economist, Africa, World Bank</i> <i>Stijn Claessens, International Monetary Fund</i> <i>Simon Johnson, MIT</i> A panel of experts in policy-making will discuss the long-run lessons from the recent financial crisis for developed and developing countries. The discussion will focus on policies that could help avoid or minimize the consequences of a similar crisis in the future.</p>
1:00 pm	Welcoming lunch - MC 12 th Floor Gallery
2:30 pm	<p><u>Session 3: Panel on the role of the government in the financial sector after the crisis</u> <i>Franklin Allen, University of Pennsylvania</i> <i>Vincent Reinhart, American Enterprise Institute</i> <i>Asli Demirguc-Kunt, World Bank</i> A panel of experts will discuss the role of the government in the financial sector after the crisis. Should the government own and manage financial institutions? What are the pros and cons? What other roles should the government have?</p>
4:30 pm	Break
5:00 pm	<p><u>Session 4: Assessing competition in the banking sector</u> <i>Sole Martinez Peria, World Bank</i> The session will discuss the importance of assessing competition in the banking sector and will layout a framework to do so that goes beyond</p>

	monitoring bank concentration.
6:00 pm	Adjournment
TUESDAY, MAY 17, 2011	
8:30 am	<p><u>Session 5: Housing finance after the crisis – recent initiatives</u> <i>Loic Chiquier, World Bank</i></p> <p>The session will discuss the consequences of the crisis on housing finance in developing countries and will feature recent initiatives undertaken by the World Bank to help develop this sector.</p>
9:30 am	Break
10:00 am	<p><u>Session 6: Bank risk management models – What is happening post-crisis?</u> <i>Anthony Saunders, New York University</i></p> <p>This session will provide an in-depth look at bank risk management models from a leading authority on risk management. Participants will learn about the types of models that were used before the crisis, the types being used now, and those that are recommended for the future.</p>
12:00 pm	Lunch Break
1:30 pm	<p><u>Session 7: Remittances and the financial sector</u> <i>Maria Do Ceu Da Silva Pereira, World Bank</i> <i>Sole Martinez Peria, World Bank</i></p> <p>Remittances are a significant source of financing for developing countries. Yet, the cost of sending remittances is sizeable, averaging approximately 10 percent. This session will discuss the impact of remittances on financial sector development and analyze the factors that drive the cost of remittances across corridors.</p>
3:00 pm	Break
3:30 pm	<p><u>Session 8: Panel on the future of financial regulation – Basel III</u> <i>Gerard Caprio, Williams College</i> <i>Katia D’Hulster, World Bank</i> <i>Matu Mugo, Bank Supervision Department, Central Bank of Kenya</i></p> <p>A panel of experts will discuss the changes to bank regulation proposed by Basel III and the implications of these changes for developing countries. Also, experts will debate whether other changes in regulation and supervision are still required to prevent future crises.</p>
5:30 pm	Adjournment
WEDNESDAY, MAY 18, 2011	
8:30 am	<p><u>Session 9: Capital market development after the crisis – recent initiatives</u> <i>Alison Harwood, World Bank/ IFC</i></p> <p>This session will discuss how capital markets have fared during the crisis and what changes might come about as a result of it. Also, the session will discuss recent initiatives undertaken by the World Bank to promote capital market development.</p>
10:00 am	Break

10:30 am	<p><u>Session 10: Implementing a framework to stress test banks</u> <i>Liliana Schumacher, International Monetary Fund</i> A framework for assessing financial system vulnerabilities exists, and this practical session will provide participants with an opportunity to learn how to use it, perform stress test exercises with it, and take it back to the office.</p>
12:30 pm	Hot buffet Luncheon - MC 12 th Floor Gallery
2:00 pm	<p><u>Session 11: Bank resolution frameworks</u> <i>Javier Bolzico, Consultant and Former Superintendent of Banks, Argentina</i> <i>Yira Mascaro, World Bank</i> The recent crisis has confronted many countries with the need to deal with failing financial institutions. This session will discuss the advantages and disadvantages of different bank resolution methods.</p>
3:30 pm	Break
4:00 pm	<p><u>Session 12: Case study on bank resolution</u> <i>Javier Bolzico, Former Superintendent of Banks, Argentina</i> <i>Yira Mascaro, World Bank</i> The good-bank/bad-bank approach is an effective bank resolution method because it can be very successful in meeting certain efficiency criteria, including the minimization of contagion costs and preservation of business. Using a case study framework, this session will provide participants with the opportunity to see how the good-bank/bad-bank approach is applied in practice.</p>
5:30 pm	Adjournment
THURSDAY, MAY 19, 2011	
8:30 am	<p><u>Session 13: Pension systems after the crisis</u> <i>Heinz Rudolph, World Bank</i> In recent years, pensions systems throughout the world have shifted from pay- as-you-go to defined contributions systems, where returns depended on stock market performance. This session will engage participants in a discussion of how pension systems fared during the recent crisis and how they might evolve in the future as a result of recent events. Also, the session will discuss recent initiatives undertaken by the World Bank to promote the development of pension systems.</p>
9:30 am	<p><u>Session 14: A framework for macro-prudential supervision</u> <i>Barry Johnston, former IMF</i> The need for countries to establish a framework for macro-prudential supervision has emerged as one of the main lessons from the recent crisis. This session will discuss the importance of such a framework and provide a roadmap of how countries can go about setting it up.</p>
10:30 am	Break
11:00 am	<p><u>Session 15: Bank safety nets and dealing with systemically large institutions</u> <i>David Hoelscher, former IMF</i> Bank failures are widely viewed in all countries as more damaging to the economy than the failure of other firms for a number of reasons. The risk of such actual or perceived damage is often a popular justification for explicit or implicit safety nets.</p>

	Against the background of the latest crisis, this session will invite participants into the debate about what is optimal in terms of safety nets for financial institutions.
12:00 pm	Lunch Break
1:30 pm	<p><u>Session 16: Panel on financial globalization during and after the crisis</u> <i>Linda Goldberg, NY FED</i> <i>Sergio Schmukler, World Bank</i> <i>Guillermo Babatz, CNBV, Mexico</i></p> <p>A panel of policy and academic experts will discuss the role that financial globalization played in helping to propagate the recent crisis across countries and assess the impact of the crisis on future trends in financial globalization, focusing in particular on the impact on foreign bank participation.</p>
3:30 pm	Break
4:00 pm	<p><u>Session 17: Case study on crisis preparedness</u> <i>Aquiles Almansi, World Bank</i></p> <p>In this session, participants will work through a crisis simulation exercise that will highlight the laws, regulations, and procedures that bank regulators need to have in place and the steps they need to follow to best deal with a banking crisis.</p>
5:30 pm	Adjournment
5:45 pm	Farewell Reception - MC 12 th Floor Gallery
FRIDAY, MAY 20, 2011	
8:30 am	<p><u>Session 18: Promoting SME finance</u> <i>Peer Stein, International Finance Corporation</i></p> <p>This session will describe the challenges encountered and the models used by banks to serve the SME sector. Also, the session will discuss the impact of the crisis on SME finance and the recommendations made by the G20 on SME finance.</p>
10:00 am	Break
10:30 am	<p><u>Session 19: Microfinance: Recent developments</u> <i>Martin Holtmann, International Finance Corporation</i> <i>David Roodman, Center for Global Development</i></p> <p>What are the recent developments in microfinance? What is the impact of the current trends? What are the lessons to learn from the microfinance crisis in India. Participants will explore these questions in this interactive and informative session.</p>
12:00 pm	<p><u>Session 20: Innovative approaches to promote financial inclusion</u> <i>Kabir Kumar, CGAP</i></p> <p>This session will discuss recent innovative approaches designed to promote financial outreach and inclusion such as mobile banking, branchless banking, etc.</p>
1:00pm	Adjournment