



TRAINING COURSE

FLORENCE SCHOOL OF BANKING AND FINANCE

THE ESSENTIALS OF EU BANKING RESOLUTION

Course Instructors:

Christos Gortsos | National and Kapodistrian University of Athens and European University Institute

Seraina Grünwald | Institute of Law of the University of Zurich

Kristian Kjeldsen | Single Resolution Board

Sala Europa

Villa Schifanoia, Via Boccaccio 121 - Florence

26-28 FEBRUARY 2018

■ INTRODUCTION

This course starts by introducing the concepts of bank preparation for resolution and bank resolution and the main attributes thereof (on the basis of the international principles developed by the Financial Stability Board, FSB).

Then, it presents the EU framework governing the preparation for resolution (“resolution planning” – MREL) and the resolution of credit institutions both in all Member States (under the BRRD) and in particular in the Eurozone (under the SRM Regulation), including the relevant institutional arrangements. Particular emphasis is given in this respect firstly to the analysis of the “conditions for resolution” (taking into account the resolution actions taken by the Single Resolution Board, SRB) in June 2017, and secondly to the related State aid considerations.

Finally, it also presents briefly the provisions on the Single Resolution Fund (SRF) under the SRM Regulation and the related Intergovernmental Agreement.

■ PROGRAMME

26 FEBRUARY

13.15 - 13.30 Welcome and presentation of the School by **Pierre Schlosser** | Florence School of Banking and Finance

13.30 - 15.30 **Session 1. The broad picture**

Instructor: **Christos Gortsos**

- Economic aspects of banking resolution
- The FSB “key attributes on effective banking resolution”
- The EU regulatory framework and its forthcoming reform - The structure of the BRRD and its relation to the SRM Regulation

15.30 - 16.00 *Coffee break*

16.00 - 18.00 **Session 2. The Single Resolution Mechanism (SRM): a comprehensive overview**

Instructor: **Christos Gortsos**

- The Single Resolution Board (SRB): institutional aspects
- The role of national resolution authorities

27 FEBRUARY

10.00 - 11.00 **Session 3. Resolution planning and early intervention under the BRRD and the SRM Regulation**

Instructor: **Seraina Grünewald**

- Resolution planning
- Early intervention
- TLAC/MREL

11.00 - 11.30 *Coffee break*

11.30 - 13.00 **Session 4. The conditions for resolution and the three potential outcomes (1st part)**

Instructor: **Christos Gortsos**

- Analysis of the three conditions for resolution
- **Case study:** the recent (June 2017) decisions of the SRB

- 13.00 - 14.00 *Lunch break*
- 14.00 - 15.00 **Session 4. The conditions for resolution and the three potential outcomes (2nd part)**
Instructor: **Christos Gortsos**
- 15.00 - 16.00 **Session 5. The resolution tools**
Instructor: **Christos Gortsos**
- 'Gone-concern' resolution tools: sale of business tool - bridge institution tool
 - 'Going-concern' tools: bail-in tool - asset separation tool
- 16.00 - 16.30 *Coffee break*
- 16.30 - 17.00 **Session 6. Specific aspects of the BRRD**
Instructor: **Christos Gortsos**
- The Government Financial Stabilisation Tools (GFSTs)
 - Relations to third countries
- 28 FEBRUARY**
- 09.00 - 11.00 **Session 7. State aid in resolution**
Instructor: **Seraina Grünwald**
- External sources of resolution financing (Deposit Guarantee Schemes, resolution financing arrangements, ESM funds)
 - Conditions for State aid approval
 - Case studies
- 11.00 - 11.30 *Coffee break*
- 11.30 - 12.30 **Session 8. Financing of resolution actions: the Single Resolution Fund (SRF)**
Instructor: **Seraina Grünwald**
- 12.30 - 13.30 Lecture by **Kristian Kjeldsen** | Head of Financial Stability at the Single Resolution Board