

Professional Training Course

From Bank Recovery to Resolution

 @FBF_School

12 - 14 February 2020

Sala Europa - Villa Schifanoia, Via Boccaccio 121 - Florence

Instructors:

Guillaume Adamczyk | Single Resolution Board

Jens-Hinrich Binder | University of Tübingen

Ralf Bock | ECB

Svetlana Dimova | BaFin

Jean-Jacques Van Helten | Visiting Fellow RSCAS, formerly Bank of Montreal

Katerina Theodossiou | Bank of Greece

Introduction

The course is designed to provide participants with a solid understanding of the bank resolution frameworks established by the European Bank Recovery and Resolution Directive ('BRRD') and the Regulation establishing a Single Resolution Mechanism ('SRMR'). Starting with a primer on the international background and the economics of bank resolution, the course first offers an overview of the structure and content of the relevant legal acts. In this context, participants will gain insights into the framework for preventive measures (Recovery and Resolution Planning, Early Intervention) as well as the substantive and procedural framework for the resolution of banks both within the European Union as a whole and within the Banking Union. In this occasion, the framework for cross-border cooperation and coordination of resolution actions will also be analyzed. In order to familiarize participants with the practical implications of those frameworks, practitioners will then engage with current problems with regard to Resolution Planning, the Assessment of Resolvability, and the calibration and implementation of resolution actions.



Programme

12 February

13.30 - 14.00 **Introduction by the Florence School of Banking and Finance and *tour de table***

14.00 - 15.30 **Session 1: General Introduction - Bank Resolution within the SRM**

Jens-Hinrich Binder

Background and fundamentals

The logistics and economics of (systemic) bank insolvency

Policy developments since the global financial crisis

15.30 - 16.00 *Coffee break*

16.00 - 17.30 **Session 2: The BRRD and the SRMR**

Jens-Hinrich Binder

Institutional Framework

Recovery and Resolution Planning

Resolution Action and Funding

The interplay between European and national levels and the role of national insolvency legislation for less significant institutions

After the course *Social Activities outside the EUI (TBD)*

13 February

09.30 - 11.00 **Session 3: Structure, Key Principles and Resolution Tools**

Jens-Hinrich Binder

(specific issues relating to the interaction between SRM and NRA to be addressed in the respective context)

Overview and Objectives

Resolution and the "Resolution Tools"

Resolution Funding

Cross-border coordination of resolution actions

11.00 - 11.30 *Coffee Break*

11.30 - 13.00 **Session 4: Recovery planning: a Banking industry perspective**

Jean-Jacques Van Helten

The Role of Planning Ahead: a recovery plan de novo

Iterative interactions with stakeholders and regulators

Ongoing governance in recovery planning

13.00 - 14.00 *Lunch break*

14.00 - 15.30 **Session 5: Improving the usability of recovery plans**

Ralf Bock

Overall recovery capacity

Playbooks and dry-runs

Interlinkages between recovery and resolution plans

15.30 - 16.00 *Coffee break*

16.00 - 17.30 **Session 6: Resolution Planning: a practitioner perspective**

Svetlana Dimova

Resolution planning and resolution plans

General conditions for effective resolution planning

Content of resolution plans & related processes

Interaction & interdependencies between supervision and resolution

Cross-border cooperation and why it should work

After the course *Social Activities outside the EUI (TBD)*

14 February

09.30 - 11.00 **Session 7: Selected aspects of resolution planning: insight, results & challenges**

Svetlana Dimova

Resolvability Assessment and removal of (potential) impediments

Operational & financial continuity

Separability analysis & business reorganisation planning

Communication Concept

Resolution readiness through dry-runs & best practices

11.00 - 11.15 *Coffee Break*

11.15 - 13.00 **Session 8: Walking through a resolution case and putting all the elements together**

Katerina Theodossiou

Sequence of events in a resolution case

Who is doing what and when: from "Business as Usual" to "Orderly Wind down"

13.00 - 14.30 *Lunch*

Keynote Speech

Guillaume Adamczyk