

Executive Training Course

Securitisation: Regulation and Practice

23 September - 18 October 2024

Course Director:

- **Bart Joosen**

Instructors:

- **Federica Agostini**
- **Patrizia Canziani**
- **Giovanni Inglisa**
- **Jean-Jacques van Helten**

Introduction

This course will provide you with comprehensive knowledge of securitisation, covering both regulatory and practical aspects. You will engage with the course material through a series of video lectures and activities that offer multiple opportunities for hands-on experiences, including quizzes, exercises, forum interactions, and a simulation exercise on Non-Performing Loan (NPL) securitisation. Additionally, you will have the chance to interact with expert instructors and other course participants in open live discussions and collaborative case studies.

Learning Objectives

- Identify the structures, types and main actors of securitisation.
- Analyse the potential risks that could arise in securitisation.
- Review the international regulatory framework on securitisation by defining the main actors, practices and challenges.
- Illustrate the main components of the European Union regulatory framework for securitisation, specifically the rules for Simple Transparent and Standardised Securitisations (STS).
- Introduce the recent developments as to On Balance Sheet Securitisations (synthetic securitisations) and their eligibility for the STS label.
- Address the rules on capital relief for originator banks and insurance companies and address the developments in respect of Significant Risk Transfer rules.
- Discuss the capital requirements for banks and insurers investing in securitisation positions.
- Analyse the current trends with Non-Performing Loan (NPL) securitisation and apply the theory on a practical scenario.

Format: Online

Level: Intermediate, Introductory

Approach: Qualitative

Target Audience: Financial Regulators and Supervisors; Members from Central Banks and Institutions (EU, intergovernmental, national governments); Academic researchers; Personnel in private banks and law firms

Course Agenda

20 September

You will receive the log-in credentials

Access will open to the online platform and Module 0

23 September

09:00 **Start of the course:** Opening of the online platform

2 October

09:00 Opening of the case study in groups

3 October

12:30 - 14:00 First live class - Structure of a transaction and Q&A on the financial mechanisms of securitisation

10 October

12:30 - 14:00 Second live class - State of play of the securitisation market

16 October

12:00 Deadline to submit the case study

17 October

12:30 - 14:00 Third Live class - Review of the case study on NPL securitisation

18 October

17:00 **Closing of the course:** Deadline to complete all mandatory activities

After the closing of the course, access to the platform will be allowed until 18 November 2024.

Course Activities

Module 0 - Introduction

- Introductory quiz (self-assessment, *optional*)
- Forum interaction: present yourself (*optional*)

Module 1 - Securitisation as financial engineering: logic, nuts and bolts

- Video lectures
- Forum interaction: Question 1 (*recommended completion by: Wednesday 2 October, 12:00 AM*)

Module 2 - Evaluation of Risks and the Crisis

- Video lectures
- Assignment 1: Rating methodology
- First live class (Thursday 3 October)

Module 3 - Regulatory framework for regulation and supervision of securitisation

- Video lectures
- Quiz
- Forum interaction: Question 2 (not mandatory, not graded: *recommended completion by: Wednesday 9 October, 12:00 AM*)

Module 4 - Prudential regulation of securitisation transactions

- Video lectures
- Assignment 2: LCR calculation

Module 5 - Dealing with securitisation products on the market

- Video lectures
- Second live class (Thursday 10 October)

Module 6 - Securitisation of NPLs

- Video lectures
- Quiz

Module 7 - Case study – NPL Securitisation

- Group work on the case study. *Deadline for the group submission: Wednesday 16 October, 12:00 noon*
- Third live class (Thursday 17 October - TBC)