

## Announcement: Second call for papers

### Evaluating financial regulation: (un)intended effects and new risks *How do banks react to the new regulatory standards in the current macroeconomic environment?*

A joint virtual workshop by the Research Task Force of the  
Basel Committee on Banking Supervision, Deutsche Bundesbank and the  
Centre for Economic Policy Research

### **New date: 20–21 April 2021** **A virtual event hosted by the Deutsche Bundesbank**

A decade after the global financial crisis, many elements of the Basel III reform have entered into force or are currently being implemented. This calls for an evaluation of the regulatory instruments, which include new leverage limits, higher and more robust risk-based capital ratios, new liquidity requirements, macro-prudential measures, and other initiatives to improve the resolvability of financial institutions and the stability of the financial system.

This workshop aims to consider the impacts of post-crisis reforms, ie whether the regulators' reform objectives have been reached and to what extent banks have adjusted the composition of their business as a response to the reforms, but also to understand emerging risks that could impact individual financial institutions and the financial system more broadly.

On top of the uncertainty around Covid-19, the current environment is challenging for the financial industry in many countries, with historically low interest rates, inflated asset values and increased competition among banks and other financial institutions. Are there any unintended regulatory consequences under these circumstances, and is it possible to disentangle the effect of the challenging economic environment from the effect of regulatory reform on banks' business models and competition in the financial industry?

We invite (empirical as well as theoretical) contributions on any topic that can help address these issues. Potential questions of interest could include:

- How do regulatory reforms and the macroeconomic environment impact financial stability risks?
- How did the revised regulatory standards affect banks' resilience to withstand the challenges of the Covid-19 pandemic?
- How have banks' strategies and their business models responded to the regulatory reforms considering the unconventional monetary policy measures?

- What is the joint effect of regulatory reforms and increased competition in the financial industry on credit supply and economic growth?
- What are the intended and unintended effects of regulatory changes in a low interest rate and slow growth environment?
  - Is the cost of liquidity and capital regulation particularly significant?
  - How can regulatory measures counter the build-up of asset price bubbles?
- How do bank regulation, supervision and new resolution regimes interact?
- Are there international spillovers from regulation or resolution regimes that affect the cross-border activities of banks?
- Are new methods or new data needed for evaluating regulation and regulatory reforms?

### Keynote speakers

- Pablo Hernández de Cos, Governor, Bank of Spain and Chairman of the Basel Committee
- Elena Carletti, Bocconi University and CEPR

In addition, the conference will feature a series of panel discussions around these topics with participants from industry, the regulatory community and academia.

Interested parties should submit their draft papers and any queries to Martin Birn of the Basel Committee's Secretariat at [Martin.Birn@bis.org](mailto:Martin.Birn@bis.org). **The submission deadline is 15 December 2020.** Contributors will be notified by **31 January 2021**.

The workshop aims to bring together leading academics, representatives of the Basel Committee member organisations and other central bankers and bank supervisors as well as market participants.

The Programme Committee for the workshop consists of: Thorsten Beck (Cass Business School and CEPR), Hein Bogaard (Office of the Comptroller of the Currency, US Department of Treasury), Christa Bouwman (Texas A&M University), Samuel Da Rocha Lopes (European Banking Authority), Olivier de Bandt (Bank of France), Daniel Foos (Deutsche Bundesbank), Xavier Freixas (Universitat Pompeu Fabra and CEPR), Diana Hancock (Board of Governors of the Federal Reserve System), Kjell Bjørn Nordal (Central Bank of Norway), Steven Ongena (University of Zurich and CEPR), Lorian Pelizzon (Goethe University Frankfurt), Enrico Perotti (University of Amsterdam and CEPR), Greg Sutton (Bank for International Settlements), Razvan Vlahu (Netherlands Bank) and Smith Williams (Federal Deposit Insurance Corporation).