Announcement: Call for papers

On the interaction of regulatory instruments

A joint conference by the Bank of England, the Basel Committee Research Task Force and the Centre for Economic Policy Research (CEPR)

6 June 2016

The comprehensive set of reforms in Basel III is due to be finalised in 2016. Once the reforms are fully phased in, banks will be subject to multiple requirements (eg capital requirements, liquidity requirements and additional buffers that depend on an institution’s systemic importance).

This conference seeks to attract theoretical and empirical contributions that examine the various effects of the proposed regulatory framework. In particular, we aim to enhance our understanding of the interaction of capital, liquidity and total loss-absorbing capacity (TLAC) requirements, buffers, stress testing and other supervisory tools. Possible topics include, but are not limited to, the following:

- Distinctive roles of capital requirements and buffers (eg capital conservation buffer, countercyclical capital buffer and systemic buffers) on lending and risk-taking;
- Interaction (1) of different capital requirements (risk-based capital ratios, leverage ratio and TLAC), (2) of different liquidity requirements (liquidity coverage ratio (LCR) and net stable funding ratio (NSFR)), and (3) between these capital and liquidity requirements;
- Optimal levels of capital, liquidity and loss-absorbency requirements and the effect on buffer sizes;
- Potential impacts of Basel III and/or the associated recovery and resolution regimes on (1) bank business models and organisational choices, (2) competition between banks and shadow banks, and (3) market liquidity;
- Usefulness of external ratings and the role of standardised capital floors relative to internal models;
- The potential role of supervisory actions (eg liquidity and solvency stress testing) on risk-taking, bank behaviour, and the macroeconomy; and
- Simple versus complex regulatory rules and the trade off between risk sensitivity and comparability.

The conference 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.
Preference will be given to complete papers, but preliminary drafts are also welcome. Interested parties should submit their draft papers and any queries to Martin Birn of the Basel Committee’s Secretariat at Martin.Birn@bis.org. The submission deadline is **Monday 29 February 2016**. Contributors will be notified by the end of April 2016.

**Scientific and organising committee:**

- Markus Brunnermeier (Princeton University and CEPR)
- Olivier de Bandt (Banque de France)
- Mathias Dewatripont (National Bank of Belgium and CEPR)
- Daniel Foos (Deutsche Bundesbank)
- Andrew G Haldane (Bank of England)
- Diana Hancock (Board of Governors of the Federal Reserve System)
- Fabrizio López-Gallo (Banco de México)
- Don Morgan (Federal Reserve Bank of New York)
- Enrico Perotti (University of Amsterdam and CEPR)
- Michael Straughan (Bank of England)