

27-28 November 2019

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Location: EBA, Auditorium  
Groundfloor, Défense 4, Europlaza  
92927 Paris, France

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## 2019 EBA Policy Research Workshop

“The future of stress tests in the banking sector –  
approaches, governance and methodologies”

### Day 1 – 27 November 2019

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09:30 – 18:20

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| <b>1. Registration</b>   | <b>08:30-09:30</b> |
| <b>2. Welcome Speech – José Manuel Campa, EBA Chairperson</b>  | <b>09:30-09:50</b> |
| <b>3. Key Note Speech – Andrea Enria (Chair of the ECB Supervisory Board)<br/>“The future of stress testing”</b>   | <b>09:50-10:50</b> |
| <b>Coffee Break</b>  | <b>10:50-11:20</b> |
| <b>4. Session 1: Methodologies and approaches</b>  | <b>11:20-13:10</b> |
| <i>“System-wide stress simulation”, David Aikman, Pavel Chichkanov, Graeme Douglas, Yordan Georgiev, James Howat, <b>Benjamin King</b> (Bank of England)<br/>Discussant: Jose M. Berrospide (Federal Reserve Board)</i>  |                    |
| <i>“Deep-Stress: A deep learning approach for dynamic balance sheet stress testing”, <b>Anastasios Petropoulos, Vasilis Siakoulis, Nikolaos Vlachogiannakis, Evaggelos Stavroulakis</b> (Bank of Greece)<br/>Discussant: Kim Abildgren (Danish Central Bank)</i> |                    |
| <i>“Applying the pre-commitment approach to bottom up stress tests”, <b>Simone Casellina (EBA), Giuseppe Pandolfo (IVASS), Mario Quagliariello (EBA)</b><br/>Discussant: Peter Raupach (Deutsche Bundesbank)</i>   |                    |
| <i>Chair: Lisa Ryu (Federal Reserve Board)</i>   |                    |
| <b>Lunch</b>   | <b>13:10-14:10</b> |
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## 5. Session 2: Scenario design and calibration 14:10-16:00

***“How severe are the EBA macroeconomic scenarios for the Italian Economy? A joint probability approach”***, Manuel Bonucchi, **Michele Catalano (Prometeia Associazione)**

Discussant: Loftur Hreinsson (Financial Supervisory Authority of Iceland)

***“Systematic Systemic Stress Tests”***, Thomas Breuer (University of Applied Sciences, Vorarlberg), **Martin Summer (Oesterreichische Nationalbank)**

Discussant: José Figue (European Systemic Risk Board)

***“Model-based approach for scenario design: stress test severity and banks’ resiliency”***, Paolo Nicola Barbieri (University of Gothenburg and Prometeia SpA), Giuseppe Lusignani (University of Bologna and Prometeia SpA), **Lorenzo Prosperi (Toulouse School of Economics and Prometeia SpA), Lea Zicchino (Prometeia SpA)**

Discussant: Inês Drumond (Banco de Portugal)

*Chair: Emiliós Avgouleas (University of Edinburgh)*

## Coffee Break 16:00-16:30

## 6. Session 3: Liquidity stress tests 16:30-18:20

***“Simulating liquidity stress in the derivatives market”***, Marco Bardoscia, Gerardo Ferrara, **Nicholas Vause**, Michael Yoganayagam (Bank of England)

Discussant: Marco D’Errico (ECB)

***“Determinants of banks’ liquidity: a French perspective on interactions between market and regulatory requirements”***, Olivier de Bandt (Banque de France), Sandrine Lecarpentier (EconomiX, CNRS, Paris-Nanterre University), **Cyril Pouvelle (French Prudential Supervision and Resolution Authority, Banque de France)**

Discussant: Carmelo Salleo (Banca d’Italia)

***“Taking regulation seriously: fire sales under solvency and liquidity constraints”***, Jamie Coen (Bank of England), **Caterina Lepore** (Bank of England), Eric Schaanning (ESRB)

Discussant: Jérôme Henry (European Central Bank)

*Chair: Lars Overby (EBA)*

## 7. Drinks Reception 18:20

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**Day 2 – 28 November 2019**

09:00 – 16:50

**8. Registration** **08:30-09:00**

**9. Session 4: Concepts and frameworks** **09:00-10:50**

***“Modelling loan loss provisions under IFRS 9 in the top-down solvency stress test of the Central Bank of Hungary”***, Péter Lang, Martin Stancsics (Magyar Nemzeti Bank)

Discussant: Monika Marcinkowska (University of Lodz)

***“Reverse stress testing”***, Michael Baes (ETH Zurich, RiskLab), Eric Schaanning (ESRB)

Discussant: Klaus Düllmann (European Central Bank)

***“Stochastic Optimization System for Bank Reverse Stress Testing”***, Giuseppe Montesi, Giovanni Papiro (University of Siena), Massimiliano Fazzini, Alessandro Ronga (Valuecube)

Discussant: Edgar Löw (Frankfurt School of Finance and Management)

*Chair: Samuel Da Rocha Lopes (EBA)*

**Coffee Break** **10:50-11:20**

**10. Key Note Speech – Jean Dermine (Professor of Banking and Finance, INSEAD, France)** **11:20-12:20**

***“EU Banking Stability, One Size Does not Fit All”***

**Lunch** **12:20-13:30**

**11. Session 5: Banks behaviour** **13:30-15:20**

***“Stressed but Not Helpless: Strategic Behaviour of Banks under Adverse Market Conditions”***, Grzegorz Halaj, Sofia Priazhkina (Bank of Canada)

Discussant: Laura Valderrama (International Monetary Fund)

***“The Disciplining Effect of Supervisory Scrutiny in the EU-wide Stress Test”***, Christoffer Kok (ECB), Carola Müller (IWH), Cosimo Pancaro (ECB)

Discussant: Rym Ayadi (CASS Business School)

***“The Effects of Bank Capital Buffers on Bank Lending and Firm Activity: What Can We Learn from Five Years of Stress-Test Results?”***, Jose M. Berrospide, Rochelle M. Edge (Federal Reserve Board)

Discussant: Mitsuru Katagiri (Bank of Japan)

*Chair: Mario Quagliariello (EBA)*

**Coffee Break** **15:20-15:40**

**12. Session 6: Climate risk**

**15:40-16:50**

***“Factoring transition risks into regulatory stress-tests: The case for a standardized framework for climate stress testing and measuring impact tolerance to abrupt late & sudden economic decarbonization”***, Michael Hayne, Soline Ralite, Jakob Tromä, Daan Koopman (2°Investing Initiative)  
Discussant: Martin Summer (National Bank of Austria)

***“The Greenium matters: evidence on the pricing of climate risk”***, Lucia Alessi, Elisa Ossola, Roberto Panzica (European Commission)  
Discussant: Edo Schets (De Nederlandsche Bank)

*Chair: Olli Castrén (EBA)*

**End of the event**