

# Reforming global bank capital requirements: What does it mean for Europe?

## *CEPS-IRCCF HEC Montreal High-Level Seminar*

Date: Friday 25 November 2016, 12h30-16h00  
Venue: European Parliament, Brussels, Belgium

Global standards for bank capital requirements are being revised again, just as the latest version (Basel III) of global capital requirements is being phased in throughout the EU and other jurisdictions. Some of the revisions, namely those concerning market risk requirements and the treatment of securitisation, were already expected. The Basel III accord, agreed in the midst of the global financial crisis in 2010, contained certain *quick-fixes* that were less sophisticated than the remainder of the standards.

These anticipated revisions are complimented by measures that try to address the large divergence in internal models that banks may use to calibrate the capital requirements. On the one hand, supervisors want to make the simpler standardised approach a more credible alternative to the internal models based approach, on the other hand it tries to reduce the differences between the models with a more restrictive capital floor. The revisions could have considerable consequences for banks' capital requirements. The revisions are therefore sometimes also thought of as 'Basel IV' or the completion of Basel III.

This CEPS-IRCCF HEC Montreal High-Level Seminar will discuss the recent proposals and outstanding reforms of the Basel Committee, and will consider the following questions: Do the proposals address the right issues, and go far enough, or even too far? How will they impact Europe's banks, economy, and society? Are they likely to be transposed in the EU, and if so, will the Basel standards be applied to all banks, or only to the globally significant banks for which they have been designed?

### *Co-organisers:*



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Alphonse and Dorimène Desjardins  
International Institute  
for Cooperatives  
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on Cooperative Finance

### *Host:*



The Greens | EFA  
in the European Parliament

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## PROGRAMME

### 12h30 Registration

### 13h00 Welcome

Philippe Lamberts, *Member for the Greens/European Free Alliance,  
European Parliament*

### 13h10 Presentation: Interaction Basel-requirements, bank capital, and business models

Rym Ayadi, *Professor, Director, IRCCF HEC Montreal*  
Willem Pieter de Groen, *Research Fellow, CEPS & Associate Researcher,  
IRCCF HEC Montreal*

### 13h40 Session 1: Impact on industry, the economy and society

Ulrik Nødgaard, *CEO, Danish Bankers Association*  
Bouke de Vries, *Advisor to the board, Public Affairs, Rabobank*  
Adrian Blundell-Wignall, *Director, Organisation for Economic Co-operation and  
Development (OECD)*  
Christian Stiefmüller, *Senior Policy Analyst, Finance Watch*

### 15h00 Session 2: State of play in the legislative process

John Berrigan, *Deputy Director-General, DG FISMA, European Commission*  
Adam Farkas, *Executive Director, European Banking Authority*  
Philippe Lamberts, *Member for the Greens/European Free Alliance,  
European Parliament*

### 16h00 Close of seminar

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