

**INTERNATIONAL MONETARY FUND**  
**Joint Vienna Institute / Institute for Capacity Development**  
**Course on Financial Sector Policies (JV17.30)**  
**Vienna, October 23—November 3, 2017**  
**Draft PROGRAM**

***Monday, October 23***

8:30 a.m. – 9:00 a.m.		<b>Administrative Briefing</b>
9:00 a.m. – 9:15 a.m.		<b>Opening Session</b>  Mr. Thomas Richardson, Director, JVI Mr. Gianni De Nicolò, IMF Mr. Adam Gersl, JVI Mr. Burkhard Drees, IMF Consultant
9:30 a.m. – 10:15 a.m.		<b>Pre-Course Quiz</b>
10:15 a.m.- 10:30 a.m.		<b>Coffee Break</b>
10:45 a.m. – 12:30 p.m.	L-0	<b>Macro-Financial Linkages and Financial Sector Policies</b> Mr. De Nicolò  <ul style="list-style-type: none"> <li>• <i>Course objectives and roadmap</i></li> <li>• <i>Macro-financial linkages: theoretical framework and mechanisms</i></li> <li>• <i>Rationales for micro- and macro-prudential policies</i></li> </ul>
		<b>Unit 1 Taxonomy and Measurement of Financial Risks</b> Mr. Drees
2:00 p.m. – 3:30 p.m.	L-1	<ul style="list-style-type: none"> <li>• <i>Taxonomy of financial risks: banking sector, non-banks, financial markets</i></li> <li>• <i>Individual and aggregate financial soundness indicators: banks, non-banks, and financial markets</i></li> </ul>
3:45 p.m. – 5:15 p.m.	W-1	<b>Workshop: Measurement of Financial Risks</b>  <ul style="list-style-type: none"> <li>• <i>Critical analysis of measures of financial and real cycles</i></li> <li>• <i>Stata-based, plenary session</i></li> </ul>

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**Tuesday, October 24**

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	<b>Unit 2</b>	<b>Financial and Business Cycles</b> Mr. De Nicolò
9:00 a.m. – 10:30 a.m.	L-2	<ul style="list-style-type: none"><li>• <i>Financial and business cycles: definitions, identifications, and their interactions</i></li><li>• <i>Measurement of cycles</i></li><li>• <i>Financial crises, downturns, and recoveries</i></li></ul>
10:45 a.m. – 12:15p.m.	W-2	<b>Workshop: Financial Cycles and Banking Distress</b>
2:00 p.m. – 3:30 p.m.		<b>Guest lecture: WEO Presentation</b> Ms. Oya Celasun, IMF Research Department
3:45p.m. – 5:15p.m.	W-2a	<b>TBD (W-2 continued)</b>

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**Wednesday, October 25**

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	<b>Unit 3</b>	<b>Mitigating Financial Risks: Basel III Capital Regulation</b> Mr. Gersl
9:00 a.m. – 10:30 a.m.	L-3	<ul style="list-style-type: none"><li>• <i>Basel capital regulation</i></li><li>• <i>Procyclicality of risk weights</i></li><li>• <i>Leverage ratios</i></li></ul>
10:45 a.m. – 12:15 p.m.	W-3	<b>Workshop: Basel III Capital Regulation</b>
	<b>Unit 4</b>	<b>Mitigating Financial Risks: Basel III Liquidity Regulation</b> Mr. Gerls
2:00 p.m. – 3:30p.m.	L-4	<ul style="list-style-type: none"><li>• <i>The rationale for liquidity regulation and existing pre-Basel III experience</i></li><li>• <i>Liquidity Coverage and Net Stable Funding Ratios</i></li></ul>
3:45 p.m. – 5:15 p.m.	W-4	<b>Workshop: Assessing Bank Liquidity</b>

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**Thursday, October 26**

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	<b>Unit 5</b>	<b>Understanding Systemic Risk</b> Mr. De Nicolò
9:00 p.m. – 10:30a.m.	L–5	<ul style="list-style-type: none"><li>• <i>Sources of systemic risk</i></li><li>• <i>Systemic risk in the time dimension</i></li><li>• <i>Systemic risk in the cross-sectional dimension</i></li></ul>
10:45 a.m. – 12:15p.m.	W–5	<b>Workshop: Assessing Systemic Risk</b>
	<b>Unit 6</b>	<b>Macro-Prudential Policies: Design and Tools</b> Mr. Drees
2:00 p.m. – 3:30 p.m.	L–6	<ul style="list-style-type: none"><li>• <i>Objectives of macroprudential policy and its main tools</i></li><li>• <i>Mapping instruments into targets</i></li><li>• <i>Interactions with micro-prudential policy</i></li></ul>
3:45 p.m. – 5:15p.m.	W–6	<b>Workshop: Debate on Macro-Prudential Policy Design</b>  <ul style="list-style-type: none"><li>• <i>Assessing the mix of macroprudential instruments</i></li><li>• <i>Group-based discussion</i></li></ul>

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**Friday, October 27**

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	<b>Unit 7</b>	<b>Countercyclical Capital Buffers</b> Mr. Gerls
9:00 a.m. – 10:30 a.m.	L–7	<ul style="list-style-type: none"><li>• <i>Basel III countercyclical capital buffer as a macroprudential instrument</i></li><li>• <i>Basel guidance for, and challenges to, buffer calibration</i></li></ul>
11:00 a.m. – 12:30 p.m.	W–7	<b>Workshop: Countercyclical Capital Buffers</b>  <ul style="list-style-type: none"><li>• <i>Calibrating the countercyclical buffer rate in Norway</i></li><li>• <i>EViews- and Excel-based, plenary session</i></li></ul>
	<b>Unit 8</b>	<b>Macroprudential Tools for Liquidity Risk</b> Mr. Gerls
2:00 p.m. – 3:30 p.m.	L–8	<ul style="list-style-type: none"><li>• <i>Feedback loops between market and funding liquidity and liquidity-based macroprudential policy</i></li><li>• <i>Traditional liquidity tools (reserve requirements or loan to deposit ratios) and their macroprudential use</i></li><li>• <i>Liquidity-based measures in response to capital inflows</i></li></ul>

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**Friday, October 27 (continued)**

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3:45 p.m.- 5:15pm	W-8	<b>Workshop: Effects of Macroprudential Liquidity Instruments</b> <ul style="list-style-type: none"><li>• <i>Applying macroprudential instruments for a banking system's liquidity risk portfolio profile</i></li><li>• <i>Simulations on the effects of macroprudential instruments on macroprudential objectives and financial cycles</i></li><li>• <i>Excel-based, plenary session</i></li></ul>
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**Monday, October 30**

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	<b>Unit 9</b>	<b>Macroprudential Tools for Housing Markets</b> Mr. Drees
9:00 a.m. – 10:30 a.m.	L-9	<ul style="list-style-type: none"><li>• <i>Credit flow measures: loan to value (LTV), debt to income (DTI), and debt service to income (DSTI) ratios</i></li><li>• <i>Other instruments: risk weights, provisioning tools, and administrative limits on new lending</i></li><li>• <i>Pros and cons of various measures</i></li></ul>
10:45a.m. – 12:15p.m.	W-9	<b>Workshop: Calibrating Caps on LTV and DSTI</b> <ul style="list-style-type: none"><li>• <i>Indicators for macro situations, housing markets, and debt</i></li><li>• <i>Policy discussions and recommendations</i></li><li>• <i>Group-based discussion</i></li></ul>
	<b>Unit 10</b>	<b>Systemically Important Financial Institutions (SIFIs)</b> Mr. De Nicolò
2:00 p.m. – 3:30 p.m.	L-10	<ul style="list-style-type: none"><li>• <i>SIFIs: the case for more stringent regulation</i></li><li>• <i>The assessment methodology to identify Globally Systemically Important Banks (G-SIBs) and Domestic-SIBs</i></li></ul>
3:45 p.m. – 5:15 p.m.	W-10	<b>Workshop: Measuring Scores and Buffers of DSIBs</b> <ul style="list-style-type: none"><li>• <i>Inspection of raw supervisory data</i></li><li>• <i>Calculations of SIB scores and buffers</i></li><li>• <i>Excel-based, plenary session</i></li></ul>

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**Tuesday, October 31**

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**Unit 11 Interactions between Macroeconomic and Prudential Policies**  
Mr. Drees

- 9:00 a.m. – 10:30 a.m. L-11
- *Monetary and macroprudential policies*
  - *Policy challenges and responses to capital flow surges*
  - *Fiscal and macroprudential policies*
  - *Policy coordination*

- 10:45 a.m. – 12:15 p.m. W-11
- Workshop: Debate on Interactions between Macroeconomic and Prudential Policies**
- *Various interactions between policies in the real world*
  - *Group-based discussions*

- 2:00 p.m. – 5:15 p.m. O-1
- Preparation participants' presentations**

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**Wednesday, November 1**

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**Unit 12 Evaluating Policy Effectiveness**  
Mr. Drees

- 9:00 a.m. – 10:30 a.m. L-12
- *General approach to evaluation*
  - *Assessing the policy framework*
  - *Effectiveness evaluation in country cases*

- 10:45 a.m. – 12:15 a.m. R
- Course Review**  
Counselors

- 2:00 p.m. – 5:15 p.m. O-2
- Preparation of Participant Presentations**

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**Thursday, November 2**

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- 9:00 a.m. – 12:15 p.m. O-3
- Preparation of Participant Presentations**

- 2:00 p.m. – 4:00 p.m. O-4
- Participant Presentations**

- 4:15 p.m. – 5:15 p.m.
- Post-Course Quiz**

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***Friday, November 3***

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9:00 a.m. – 9:45 a.m.

**Course Evaluation**

9:45 a.m. – 10:00 a.m.

**Coffee Break**

10:00 a.m. – 11:30 a.m.  
(Room 600C)

**Guest Lecture on Financial Stability and Financial Sector  
Policies in Denmark**

Mr. Jesper Berg, Director General of the Danish Financial  
Supervisory Authority

11:30 a.m. – 12:15 p.m.

**Closing Session and Presentation of Certificates**

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