



Bank of Albania Annual Conference, Tirana, 9 November 2017

BANKING DEVELOPMENTS AND FINANCIAL MARKET INFRASTRUCTURE

The role of structure, size and market infrastructure in risks mitigation and financial intermediation



seesox
South East European Studies at Oxford

PROGRAMME

9 November 2017, Tirana International Hotel

Brief Summary: *The purpose of the conference is to discuss domestic and foreign risks to banking system stability in Emerging Europe, with particular focus on Albanian and SEE economies and the challenges that these risks present for central banks. In particular the conference will: analyze how risks influence risks, change the nature and magnitude of potential shocks; estimate the impact of these risks on the central banks' policy efficiency and policy outcome and propose alternative policy tools; and discuss the role of financial markets, their incompleteness and imperfection, in the effectiveness of policy action and the achievement of macro-financial stability in the economy.*

08:30 – 09:00 **Registration**

09:00 – 10:00 **Welcome and opening speeches**

Welcome address by **Gent SEJKO**, Governor, Bank of Albania

Greeting speech by **Arben AHMETAJ**, Minister of Finance and Economy

Welcome address by **Othon ANASTASAKIS**, Director of South East European Studies at Oxford (SEESOX), St Antony's College, University of Oxford

10:00 – 10:10 **Group photo**

10:10 – 11:40 **FIRST SESSION: The nature of risks and risk resilience in the SEE Region**

The session will discuss the nature of current regional and domestic risks, their interlinks and at the same time define and assess resilience to these risks. The session will explore the regional dimension.

Chair: Piroska NAGY, Programme Director, LSE Institute for Global Affairs

EU developments and the impact in the region of South East Europe: External risks and challenges

Othon ANASTASAKIS, Director of South East European Studies at Oxford (SEESOX), St Antony's College, University of Oxford

Geo-economic developments and Regional trends: China's financial footprint in the Region; What are risks and opportunities?

Jens BASTIAN, Independent Economic Consultant

Regional and country specific risks: Comprehensive discussion of economic, financial stability risk, fiscal institutional and sovereign risks

Bas B. BAKKER, Senior Regional Resident Representative, IMF Regional Office for Central and Eastern Europe

Euroisation, Euro Area monetary policy and its consequences for banking and financial system market risks in the SEE region

Franz NAUSCHNIGG, Head of European Affairs and International Financial Organizations Division, Oesterreichische Nationalbank (OeNB)

Banking and financial system market risks, comprehensive discussion of liquidity risk & solvency risks, economic and financial stability risk fiscal and sovereign risks

Periklis DROUGKAS, Chairman, Albanian Association of Banks

Banking sector in Albanian economy: what's next?

Natasha AHMETAJ, Second Deputy Governor, Bank of Albania

11:25 – 11:40 Questions & Discussions

11:40 – 12:00 Coffee break

12:00 – 13:30 **SECOND SESSION: Economic financial and institutional challenges and policy solutions**

The session will discuss challenges and policy options faced by central banks and Supervising Authorities. The session will keep in focus the role and efficiency of monetary policy, exchange regimes, macro prudential and regulatory changes and/or other institutional arrangements in the presence of financial market incompleteness and limitations.

Chair: Adam BENNETT, Deputy Director of PEFM & Associate of SEESOX, St Antony's College, University of Oxford

Price setting mechanisms and the scope for central bank policies for price and output stabilization

Massimiliano MARCELLINO, Professor, Department of Economics, Bocconi University

NPLs as the main and fundamental source of all macro and financial problems - Credit developments, its drivers and implications

Piroska NAGY, Programme Director, LSE Institute for Global Affairs

The direct and indirect impact of micro and macro-prudential policies undertaken in the developed partners - Including Eurozone Supervisory and Regulatory Authorities, FED etc.

Pietro CATTE, Deputy Head of International Economy and Relations Directorate, Banca d'Italia

Traditional and non-traditional tools of monetary and financial market interventions. Is there a role for monetary, macro prudential and regulatory policy? What else is available for the central banks?

Erald THEMELI, Director of the Monetary Policy Department, Bank of Albania

Banking system, financial market institutions and the role of missing market links

Guido DELLA VALLE, IMF - Monetary Policy Advisor to Bank of Albania

The role of financial inclusion not only as a tool for poverty reduction but also as an instrument to reinforce central bank policies related to financial stability while managing financial trade-offs for inclusive growth

Linda VAN GELDER, Country Director for the Western Balkans Region, World Bank

13:15 – 13:30 Questions & Discussions

13:30 – 15:00 Lunch

15:00 – 16:30 **GOVERNORS' PANEL: Financial markets, financial inclusion and their important role for future developments in macroeconomic and financial stability**

The panel will discuss the role of the financial market and its infrastructure, in particular the role of missing links (money market, pension funds, mutual funds etc., and other market segments) and recent fintech expansion, in the current developments with respect to risks, resilience and efficiency of monetary and financial stability policies?

Chair: Jens BASTIAN, Independent Economic Consultant

Gent SEJKO, Governor, Bank of Albania

Senad SOFTIĆ, Governor, Central Bank of Bosnia and Herzegovina

Fehmi MEHMETI, Governor, Central Bank of the Republic of Kosovo

Radoje ŽUGIĆ, Governor, Central Bank of Montenegro

Aneta KRSTEVSKA, Chief Economist, National Bank of the Republic of Macedonia

16:30 – 16:45 Summary and closing remarks