

**FINANCIAL MARKET INFRASTRUCTURE CONFERENCE II:  
NEW THINKING IN A NEW ERA**

**AN INTERDISCIPLINARY CONFERENCE FOR POLICY-MAKERS,  
PRACTITIONERS AND ACADEMICS**

**Amsterdam, 7-8 June 2017**

Since 2009, unprecedented global reform has transformed the legal and regulatory landscape for financial market infrastructure (FMI), pushing the industry into the spotlight. Simultaneously, new technologies, new sources of data and new interdependencies are having an impact. Against this historic backdrop, this conference will bring together senior policy-makers, practitioners and academics from around the world in order to evaluate the regulatory landscape, share original research and stimulate inter-disciplinary ways of thinking about this new era for FMI. The first conference in this series was organised and hosted by De Nederlandsche Bank in 2012.<sup>1</sup> This conference also marked the launch of the Journal of Financial Market Infrastructures (JFMI), edited by Ron Berndsen.

The conference is hosted by De Nederlandsche Bank, and supported and co-organised by the Bank of Canada; the Bank of England; the Bank of Mexico; Law Department of the London School of Economics (LSE Law); and the JFMI.

This document sets out (1) the objectives of the conference; (2) the proposed schedule; (3) a call for papers; and (4) logistics.

**(1) Objectives of the conference**

Over the short space of time since the global financial crisis, FMI has been propelled into the centre of the policy agenda. Mandatory clearing of OTC derivatives in particular has amplified the systemic importance of central counterparties (CCPs) and placed their risk practices and crisis management arrangements under unprecedented scrutiny. New and complex rules, some with extra-territorial reach, have been implemented across major jurisdictions, presenting the industry with new legal, regulatory and risk management challenges. And at the same time, technological innovation and market structure changes have introduced new operational opportunities and threats.

As at the end of 2016, the most intensive period of new rulemaking has yielded to challenges associated with implementation. However, critical issues remain open. These include fostering global regulatory co-ordination and the development of effective recovery plans and resolution tools. There is also the potentially disruptive promise of distributed ledger technology and other ‘fintech’. And if the increasing volume of data

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<sup>1</sup> For details of the first conference in the series, please see *Financial Infrastructure Research Conference*, at <http://www.dnb.nl/en/onderzoek-2/test-conferences/other-conferences/conferences/dnb259355.jsp>

available in trade repositories is to deliver on its promise to enhance policymakers’ capacity to monitor market activity and assess potential threats to financial stability, new analytical methods and visualization tools will need to be applied. Collectively, such extensive regulatory reform, ongoing challenges and opportunities have ushered in a new era for FMI.

This conference will be an opportunity for expert participants from a range of constituencies – policy institutions, academics and practitioners – to take stock at this pivotal moment and debate the future of the sector. Participants will focus on a number of prominent themes over the two days of the event. This will enable them to engage in an inter-disciplinary and multi-jurisdictional exchange of ideas on the most significant changes to date and challenges to come.

The focus of the conference will be policy-oriented research and policy dialogue, with the programme comprising keynote speeches, expert panels and papers. The organisers encourage submissions of theoretical, empirical and policy papers on the conference themes. Papers selected for the conference will be considered for publication in a special issue of the JFMI, a peer-reviewed journal.

In the longer term, it is intended that new ideas, new analytical tools and ‘new thinking’ will be set in train, which will enable participants to better evaluate the new era in which FMI operates.

**(2) Proposed conference themes**

<b>Theme 1</b>	<p><b>CCP default management; recovery and resolution</b> Including: techniques to ensure legally robust and effective management of clearing member defaults (auction design; fire drills; understanding interdependencies); developing effective recovery plans for circumstances in which resilience arrangements are not enough; the boundary between recovery and resolution; ‘no creditor worse off’ safeguards; recovery and resolution tools and strategies (including tools for loss and liquidity allocation, and tools to return to a matched book).</p> <ul style="list-style-type: none"> <li>• <b>Papers / Panel</b></li> </ul>
<b>Theme 2</b>	<p><b>FMI operations – technology; FMI applications of fintech; operational risk management</b> Including: distributed ledger technology in payments, clearing and settlement; legal and regulatory challenges from new technologies; the future of FMI service provision; operational risk and resilience; ensuring continuity of service provision; managing the risks from outsourcing and critical service providers; the economic cost of operational outages at FMIs; managing the cyber resilience threat.</p> <ul style="list-style-type: none"> <li>• <b>Papers / Panel</b></li> </ul>

<b>Theme 3</b>	<p><b>FMI networks, interdependencies and resilience</b> Including: mapping the topology and examining the resilience of FMI and banking networks; new analytical methods and visualization tools to interrogate large FMI datasets; participation structure of payments, clearing and settlement systems; identifying key interdependencies in FMI and banking networks and potential channels for contagion/transmission of stress; liquidity and procyclicality in the post-reform derivatives/repo system; liquidity management in FMIs and the evolution of collateral markets; intermediated securities, custody and CSD risk; FMI resilience to financial or operational shocks and techniques to ensure/assess such resilience; regulatory coordination and cooperation in globally interconnected FMI networks.</p> <ul style="list-style-type: none"> <li>• <b>Papers / Panel</b></li> </ul>
<b>Panel session</b>	<b>Including:</b> Conference review; outputs; themes.
<b>Reception</b>	Including <b>poster displays</b> of FMI research on the first day.

### (3) Call for papers

Attendance at the conference is limited to (1) authors of accepted papers (or posters) and (2) invited guests, who will be sent invitations. This is the call for papers.

Those submitting papers should note the following:

- Submissions are encouraged from policy-makers, practitioners and academics. The organisers are looking for original policy-oriented theoretical or empirical research as well as policy analysis that relates to the conference themes and that will be of interest to senior delegates spanning the policymaking, academic and practitioner constituencies. If accepted, authors are required to produce a paper (details below) which is of academic journal standard.
- Extended abstracts of 750 to 1500 words – or completed papers, if already available – should be sent in Word or PDF format to [FMI\\_conference@dnb.nl](mailto:FMI_conference@dnb.nl) to be received no later than **Friday, 24 February, 2017**.
- Extended abstracts should be in English and should explain the nature and contribution of the research, the methodology employed and should identify the conference theme (1-3) to which the paper relates.
- Submissions of extended abstracts will be reviewed by the conference organisers. Authors will be contacted with a decision on their submission by mid-March.
- Successful authors will be asked to provide a full paper no later than **Friday, 19 May 2017**.
- Full papers will be distributed electronically in advance to conference attendees. Authors will be given 25 minutes to present their paper at the conference, followed by a short presentation by a discussant and open discussion among delegates.
- Full papers presented at the conference will also be considered for publication in the special issue of the JFMI according to that journal's usual procedures (<http://www.risk.net/static/risk-journals-submission-guidelines>). However, review by the JFMI will be a separate and independent exercise conducted by the JFMI and not the conference organisers. For the avoidance of doubt, having a paper selected for the

conference is not a guarantee that it will be published in the JFMI in a special issue or otherwise. The JFMI may also consider for publication papers on the conference themes that are not accepted for presentation at the conference.

- Authors whose papers are not accepted for presentation at the conference may be considered for a place on one of the conference panels, or invited to take part at the poster display at the conference reception, or invited to attend the conference as a delegate. However, this is not a guaranteed outcome of responding to this call for papers.
- **Call for posters:** Posters explaining FMI-related research projects will be displayed during the conference reception. If you wish to be considered for the poster display, please contact [FMI\\_conference@dnb.nl](mailto:FMI_conference@dnb.nl) no later than **Friday, 24 February, 2017** with summary of your research (no longer than 500 words) and including your name and affiliation. Successful submissions for the poster display will be notified by mid-March. Successful researchers will be required to provide a poster of A1 dimensions (594 x 841 mm) at their own expense.

#### (4) Logistics

- **Cost:** There is no charge for the conference.
- **Timings:** Exact timings are to be confirmed, but it is anticipated that the conference will start at around 9am on the first day and close at around 5pm on the second day.
- **Venue:** De Nederlandsche Bank, Westeinde 1, 1017ZN Amsterdam;
  - <http://www.dnb.nl/en/about-dnb/contact-and-directions/amsterdam-location/index.jsp>
- **Reception and dinner:** There will be a drinks reception and conference dinner on the evening of the first day of the conference. Details to be advised.
- **Contact details/ queries:** [FMI\\_conference@dnb.nl](mailto:FMI_conference@dnb.nl)
- **Contact organiser:** Dr. Ronald Heijmans, DNB.