

How to Design Better Financial Regulation

– Regulatory Impact Assessment (RIA): A Key Policy Analysis Tool –

Ljubljana, September 29 – October 1, 2008

TOPICS OF THE WORKSHOP

Since the first edition of this course in September 2007, Convergence has undertaken country RIA knowledge transfer programs in Bulgaria and Albania, in addition to Romania's.

This year's course features among the instructors also country experts that have gained RIA experience in the context of the aforesaid local RIA programs.

By the end of the course, participants will have the understanding on:

- (1) How the regulatory process in financial sector can be shaped in a more systematic and efficient manner;
- (2) How to blend law background with economic and financial evidence;
- (3) How to deal with regulatory options by applying a benchmarking approach; and
- (4) Which stakeholders to involve in the process and in which way.

PRESENTATIONS FROM:

EU Financial Regulators

DGMarkt of European
Commission

National Financial Regulators

Unicredit Group

Oxera (Oxford-based
international independent RIA
analysis company)

South-East European Financial
Regulators

THE PURPOSE OF THE WORKSHOP:

The course is designed to help authorities improve regulatory process by using a solid methodology based on two main tools:

1. A well defined and effective procedure to be used in a regulatory design;
2. The cost/benefit analysis enabling to assess the final impact of current and alternative policy choices.

Impact assessment and public consultation are both part of the EU good regulatory making practices. Regulators can extract significant information through market participant consultations during the regulatory drafting process. The course is application-oriented and participants are stimulated to have an active role in discussing practical cases.

What is RIA:

Regulatory Impact Assessment (RIA) consists of a systematic analysis of the likely impact of a proposed policy intervention and of discussion of a range of alternative policy options.

The first day of the course consists of an overview of RIA as a tool to make regulation more effective. Participants will be taken through procedural steps used by European financial sector regulators (CEBS-CESR-CEIPOS), the European Commission and other national regulators in performing RIA. Participants will be presented existing approaches, methodologies and case studies. They will also be asked to interact with the instructors to discuss the various topics.

During the second day, instructors that attended prior Convergence Program RIA Workshops will illustrate several case studies of micro-regulatory impact assessment. Case studies will touch on several aspects of economic impact assessment on banking and financial market regulations. Participants will be invited to undertake role-playing based on case studies presented.

The third day focuses on the concrete application of RIA methodology on regulations with a plenary final presentation to a local high-level panel with authorities and market participants.

Who should attend:

The seminar is designed primarily for staff currently engaged in, or likely to be engaged in, regulation-making process, or other staff whose work has a certain level of evidence-based policy making.

For instance:

Central Banks/ Banking Supervisors: staff from Regulation Department, Research Department and Supervisory Department; Ministries of Finance: staff from Financial Unit and Legislative Unit of financial system.

Participants will be asked to prepare short case studies based on their own experiences for presentation in the third day of the course.

*Language of the course is **ENGLISH**. Translation will not be provided.*

Fees and Registrations:

No fee is charged for the participants working in public sector.

The participants or their **sponsoring agencies are responsible for travel insurance and covering the costs** of travel, accommodation and per diem. Lunch, coffee and refreshments during the course in Ljubljana are provided for by the CEF.

Registration closing date:

Friday, June 20, 2008

Registration form and hotel information can be obtained from:

www.cef-see.org

For more information, please contact: info@cef-see.org

AGENDA

Monday, September 29

Getting to know Better Regulation and Regulatory Impact Assessment for Financial Industry

- Why does Better Regulation matter in the European Union;
- What are the procedures and analytical steps adopted by European financial sector regulators (CEBS-CESR-CEIPOS) to implement Better Regulation and Impact Assessments;
- What is the Impact Assessment experience in financial service policy of the European Commission? Case studies review;
- How do market participants use Impact Assessment techniques to engage with authorities;
- Impact Assessments: How can economic analysis support better regulation design – The experience of a leading EU financial regulator;
- The Impact Assessment fundamentals: Market Failure and Costs and benefits analyses.

Tuesday, September 30

Case Studies

Financial regulators from Albania, Bulgaria and Romania will illustrate practical experience of conducting Regulatory Impact Assessment analyses with market consultations. Two cases will related to banking sector regulations. One case will address a financial market regulation. Emphasis will be placed on comparing country experiences to develop a harmonized Impact Assessment approach in South-Eastern Europe. Class participants will practice one case study.

Wednesday, October 1

Practical RIA application to the Official Regulatory Process

- Issue identification (classroom will consider two concrete cases of - draft or existing - regulation);
- Each participant (or team of participants with a common case) outline the RIA approach and draft a RIA working paper with regard to her/his proposed case;
- Presentation and discussion of all RIA papers related to official regulatory process proposed by participants in front of a local high-level panel with authorities and market participants.