Central Banking Publications’ events division is the leading independent organiser of public policy seminars and training courses for the official sector. Since 1999, CBP has hosted roundtable seminars and training courses for over 6,000 senior policymakers from central banks, ministries of finance and financial regulatory agencies around the world. Senior officials from more than 140 countries have attended these meetings over the past decade and a half.

Risk Management for Central Banks
19–22 September 2017, Christ’s College, Cambridge, UK

Course Chair
Janet Cosier, former Adviser on Strategic Planning and Risk Management, Bank of Canada

Series Advisor
Charles Goodhart, Professor Emeritus, London School of Economics, Financial Markets Group

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For 25 years Central Banking Publications has been a trusted provider of independent, authoritative and relevant information, commentary and analysis to the central banking community. Central Banking Publications’ events division is the leading independent organiser of public policy seminars/training courses for the official sector. Since 1999, CBP has hosted roundtable seminars and training courses for over 6,000 senior policymakers from central banks, ministries of finance and financial regulatory agencies around the world. Senior officials from more than 140 countries have attended these meetings over the past decade and a half.
Dear Delegate

As the responsibilities of central banks grow, so does exposure to risks. Not only do central banks have to deal with a growing number of risks, they also need to deal with the ever-changing nature of risks. With new technologies, new innovations and changing mandates, central banks need to ensure that the risk management department is prepared to face these and protect its bank’s sensitive information.

How can central banks prepare themselves against the changing environment and emerging risks?

This course, ‘Risk Management for Central Banks’ is designed to equip central bankers to meet these challenges and manage new risks effectively. The four-day programme of interactive roundtable seminars and workshops offers practical examples of the demands facing information specialists within the central bank, as well as questions of organisation and resourcing of the function.

The panel of expert speakers combines practical central banking experience and expertise in the technical aspects as well as views from private sector experts.

All discussions are held in roundtable format to encourage participants to share their experiences and debate the pressing issues in their field.

This format, as more than 6,000 central bankers and regulators can attest, encourages delegates to quiz panellists, raise issues and discuss solutions to the specific challenges they face.

We look forward to welcoming you to Cambridge on 19 September.

Yours sincerely,

Nick Carver, Publisher
Central Banking Publications

“The profile of central banks may never have been higher than today. The responsibilities of central banks may never have been greater than today. And the actions taken by central banks may never have been larger or as far-reaching as today. It is no coincidence that they have recently been described, variously and colourfully, as ‘masters of the universe’ and ‘the only game in town’.”

Andrew Haldane, Chief Economist, Bank of England, April 2017
Risk culture and awareness – the key to success
Janet Cosier, Former Adviser on Strategic Planning and Risk Management, Bank of Canada

A risk-intelligent culture is essential in ensuring that risk management plans and systems are effective. Not only must a risk culture be present, but it must run throughout the institution in order to allow risk management to be most successful. Yet in a traditionally minded institution, where process and protocol are valued, such an approach can be seen as challenging existing orders. In this introductory session, the chair will outline the importance of building a risk culture in an institution, as well as the main features that should be present in a risk-intelligent culture. Delegates will be invited to assess the level of maturity of the risk culture in their own institutions, and identify initiatives that can help to move to higher levels of maturity.

New risks facing central banks
Gabriel Andrade, Director and Deputy Head of the Risk Management Department, Banco de Portugal

The global financial crisis forced central banks into creating unprecedented and unconventional policies. From supervision to monetary policy, from macro-prudential to market oversight, all levers were pulled. As a result, central banks face new operational and financial risks that require a robust framework for assessing and managing them. In this session, the speaker, an experienced former senior central banker, will discuss the key emerging risks facing central banks, such as cyber risk and volatility of capital flows resulting from unconventional monetary policies. Group discussion will draw on new risks delegates have faced within their institutions, how their risk management departments have dealt with these, and the learning points they have taken from these experiences.

Risk management and strategic planning – enabling the risk function
Janet Cosier

Integrating the strategic planning function with risk management is advantageous to both departments. The forward looking nature of strategic planning benefits the risk management function in identifying future risks. Similarly, the close relationship the risk management function has with the day-to-day business can provide insight as to where risks sit. The resulting symbiosis strengthens functions and works to the betterment of the institution, its standing and reputation. In this session, the chair will outline the main aspects behind an integrated corporate management framework. Discussion will focus on the different ways to identify risks, and when and how the risk management function can get involved in the development of the strategic plan.

Emerging Risks and the New Risk Appetite

Janet Cosier is the former Chief Risk Officer and Adviser on Strategic Planning at the Bank of Canada. She continues in her capacity as the Chair of the Board of Directors of the Canadian Payments Association. She has served in a variety of functions including comptroller and chief accountant, as well as chief internal auditor, before being appointed adviser to the governor. She has provided technical assistance to various central banks in the areas of strategic planning, risk management, governance and financial reporting. Before joining the Bank of Canada, she worked with the Office of the Auditor General of Canada and with the Department of Industry, Trade and Commerce. Mrs Cosier holds degrees from York University and the University of Windsor in mathematics, computer science, accounting and financial management.
Wednesday 20 September
Enhancing Best Practice Risk Management

Cyber risk – new generation operational risk
Pieralberto Deganello, CRSO, Security Risk Management Team, Federal Reserve Bank of Chicago
As advances in technology continue apace, it is no surprise that the number of cyber-attacks is also on the rise. Not only are attacks occurring more frequently, they are also becoming more sophisticated, putting the sensitive information contained by central banks at real risk. The speaker, an experienced security risk manager, will share with the group how his central bank has put together and maintains protective measures.

The role of the bank’s board in risk management
Marko Skreb, former Governor, Croatia National Bank
The central bank board is crucial in setting the limits on financial risk and the tone from the top in operational risk. Whether a central bank has a risk department, division or committee, a mechanism needs to be established for the flow of information to and from the top. The speaker will look at how the board needs to be informed to foster proactive attitudes of risk recognition, detection, prevention and mitigation. He will discuss issues around who, what and how often the board and risk committee should be reported to on breaches, guidelines and limits.

The integrated risk division and three lines of defence
Speaker to be confirmed
In this session, the speaker will outline how his institution’s small integrated risk division, which employs both financial and operational risk experts, works towards achieving the most successful risk management strategy. The division covers credit, market and liquidity risks within asset management and monetary policy operations, as well as “traditional” operational risk within asset management, operational risks in a wider sense within the rest of the central bank, internal control and internal regulation, information security and business continuity. The speaker will share how the division was established and how it applies the three lines of defence risk management model.

Enterprise risk management – Preparing for the future
Matthew Hite, Vice President, Strategic Bank Services, Federal Reserve Bank of Cleveland
As central banks engage in new operations, the risks they are exposed to change. Because of this, enterprise risk management systems are being developed to encourage an effective management culture. With a holistic and systematic approach to risks, the institution is given a much clearer picture of the risks they face and how those risks are developing over time. In this session, the speaker will share with the group the key steps taken, such as the creation of a tailored “data model” to allow risks to be classified and then rated on the basis of likelihood and impact.

Managing reputation risk: the key to central bank risk management
Gloria Quartey, Director, Risk Management Department, Bank of Ghana
It is often said that a central bank’s reputation is its most valuable asset. Reputation is central to success in achieving policy objectives and preserving independence. Further, it is what ultimately determines the public’s trust. In this session, the speaker will outline the steps that the Bank of Ghana have taken to minimise reputational risks, including developing a reputational risk model to identify major issues, regularly reviewing policies, processes, procedures, as well as the activities and operations of subsidiaries.
Cambridge Series 2017 also features the training seminars:

**Effective Oversight of Financial Market Infrastructure**  
Chair: Joaquin Bernal Ramirez, Head, Payment Systems and Banking Operations, Central Bank of Colombia  
12–15 September

**Financial Independence, Reporting and Accountability for Central Banks**  
Chair: Kenneth Sullivan Director, Sullivan Consulting and former Senior Financial Expert, International Monetary Fund (IMF)  
19–22 September

**Risk Management for Central Banks**  
Chair: Janet Cosier, Former Adviser on Strategic Planning and Risk Management, Bank of Canada  
19–22 September

**Financial Regulation and Supervision: Design and Implementation**  
Chair: Maria Nieto, Advisor in the Directorate of Financial Stability, Regulation and Resolution, Bank of Spain  
12–15 September

**Central Bank Statistics: Data Collection and Value-Add Analysis**  
Chair: Patrick Honohan, former Governor of the Central Bank of Ireland  
12–15 September

**Monetary Operations: Tools and Techniques for Policy Implementation**  
Chair: Francesco Papadia, former Director General for Market Operations, European Central Bank  
19–22 September

**Legal Risks: Governance, Compliance and an Evolving Legal Environment**  
Chair: Atilla Arda, Senior Counsel, International Monetary Fund  
12–15 September

**Human Resources: Facilitating Change and Performance**  
Chair: Iain Thomson, Managing Director, Squared Circle Consulting Ltd.  
19–22 September

**IT Governance and Strategy for Central Banks**  
Chair: Chris Gale, former Senior Vice President, Federal Reserve Bank of Boston  
19–22 September

**Government Debt Management: New Trends and Challenges**  
Chair: Rafael Molina, Managing Partner, Newstate Partners  
12–15 September

**Economic Analysis for Macro-Prudential and Monetary Policymaking**  
Chair David Mayes, Professor of Banking and Financial Institutions, University of Auckland and former Advisor to the Board, Bank of Finland  
12–15 September

**NEW! Risk-based Insurance Regulation and Supervision**  
Chair: Allan Kears, Head of Prudential Analytics Division, Insurance Supervision, Central Bank of Ireland  
19–22 September
Managing operational risks

Luis Fernández de Heredia, Head of Operational Risk, Bank of Spain (invited)

Central bank mandates are becoming increasingly complex, putting a strain on already busy departments as well as exposing central banks to a wide array of risks. In this session, the speaker will focus on the key operational risks facing central banks, including recruiting and retaining high-quality staff. The speaker will then look at how his central bank has constructed a framework for identifying, managing and mitigating operational risks, and the lessons that can be drawn from this experience.

The backbone of the risk department – effective measuring and reporting

Matthew Hite, Vice President, Strategic Bank Services, Federal Reserve Bank of Cleveland

Measuring, quantifying and reporting to senior management are critical aspects for any operational risk manager. Yet behind such reports lie assumptions. For executives, understanding these assumptions is crucial to bridging the gap between quantitative analysis and business strategy. This is the remit of the operational risk manager, who must also ensure the assumptions accurately reflect what management knows about operational risk and where their risk tolerance lies. This session will focus on the key elements of an operational risk report, on how reports can be best presented so as to be intelligible to non-risk managers, and what can be done to follow up on the reporting process.

Operational risks and the business continuity plan: what to take into account

Hatem Ibrahim, Head of Risk, Central Bank of Egypt

Operational risks differ from other risks in that they tend to cut across organisational units, operational accountabilities and policy mandates. This is an important fact to take into account when designing a business continuity plan (BCP). If the business continuity plan is over-prescribed and over-specified, it might prove to be less than effective. In this session the speaker will outline the themes needed to design an effective BCP, ensuring that the importance of operational risks are taken into account.

Internal audit and compliance

Mads Kristensen, Assistant Director, Internal Audit, Norges Bank

Risk management and internal audit have the possibility to benefit from shared resources and skillsets. For example, operational risk assessments can be valuable to an auditor’s prioritisation of audits. An auditor’s feedback helps operational risk managers validate their information. Yet the two are not interchangeable and it is important to identify areas where cooperation is not appropriate. In this session, the speaker will outline how internal auditors and operational risk managers can work together, and the appropriate level of independence of these functions.

What delegates say about us

“...The chair is extremely experienced and what she shared is very useful and insightful helping us form a better picture of how a full-fledged risk management framework could be established.”

A central bank delegate
Friday 22 September

Tackling New Risks

Risks to central bank balance sheets, capital and financial independence

Speaker to be confirmed

In 2017 a combination of reduced earnings from low-yielding foreign exchange reserves, and escalating sterilisation costs and capital losses as interest rates rise, threaten a perfect storm for central bank balance sheets. Looming structural imbalances portend questions over financial credibility, the relationship between financial strength policy independence, and whether arrangements for profit and loss sharing with the government need to be reconsidered. Underpinning these is the question of what the suitable level of capital is for a central bank. This session examines changes in balance-sheet risks and strategies to manage those.

Evolving risk management frameworks in central banks

Led by the chair, Janet Cosier

Globalisation has led to greater interdependence in the world economy. It has increased the interconnectedness between risks within organizations and across enterprises, industries and national borders. Businesses are increasingly collaborating with a wide range of external stakeholders – private sector service providers, government agencies, regulators and financial markets. These trends have increased the range of risks facing organizations and the complexities in managing risk. In this session, the speaker will focus on evolving the risk management processes in central banks to address emerging risks. She will cover topics such as: the characteristics of emerging risks; best practices for identifying, assessing and managing emerging risks; and the benefits of mitigating these risks. Delegates will be invited to discuss examples of emerging risks based on their knowledge and experience.

Lessons learned and key action points

Led by the chair

In this closing session, the chairman will review the key lessons learned from the presentations and discussions throughout the program. Delegates will be asked to reflect on how the lessons learnt over the four days can be applied at their home institutions, and encouraged to develop action plans to take back and apply.

Past attendees include:

Austrian National Bank • Bank Indonesia • Bank Negara Malaysia • Bank of Algeria • Bank of Canada • Bank of England • Bank of Ghana • Bank of Italy • Bank of Jamaica • Bank of Korea • Bank of Papua New Guinea • Bank of Sierra Leone • Bank of Spain • Bank of Tanzania • Bank of Thailand • Bank of Zambia • Banque de France • Bermuda Monetary Authority • British Virgin Islands Financial Services Commission • Monetary Authority of Brunei • Central Bank of Bahrain • Central Bank of Barbados • Central Bank of Bosnia & Herzegovina • Central Bank of Brazil • Central Bank of the Republic of China (Taiwan) • Central Bank of Colombia • Central Bank of Congo • Central Bank of Ecuador • Central Bank of Hungary • Central Bank of Kenya • Central Bank of Kuwait • Central Bank of Nigeria • Central Bank of Oman • Central Bank of Paraguay • Central Bank of Qatar • Central Bank of Seychelles • Central Bank of Sri Lanka • Central Bank of The Gambia • Central Bank of The Philippines • Central Bank of Venezuela • Czech National Bank • Deutsche Bundesbank • European Central Bank • Federal Reserve Bank of New York • Federal Reserve Board • Hong Kong Monetary Authority • Maldives Monetary Authority • Monetary Authority of Singapore • National Bank of Denmark • National Bank of Romania • Norges Bank • Reserve Bank of Australia • Reserve Bank of India • Reserve Bank of Malawi • Reserve Bank of New Zealand • Saudi Arabian Monetary Authority • South African Reserve Bank • State Bank of Pakistan • Sveriges Riksbank • Swiss National Bank • The World Bank
Booking details

4-Day (3 nights) residential course
Course fee includes: en-suite accommodation, meals, refreshments, course documentation and a complimentary copy of the most recent issue of the Central Banking journal. Substitute delegates can be accepted should the registered delegate be unable to attend; please let us know prior to the event.

How to book
There is a booking form overleaf. Please use one of the following methods to book your place:

Online:  www.centralbanking.com/Cambridge
Call:    Dean Cousins on +44 (0)207 316 9252
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The venue
The 2017 Autumn Series will take place at the Christ’s College in Cambridge. Christ’s College is one of England’s oldest university colleges and traces its origins back to 1437 when it was founded by William Byngham as “God’s House” and adopted by King Henry VI. The college is conveniently situated in the heart of Cambridge surrounded by all the historical sites, and is one hour by train from London.
Delegate details: PLEASE WRITE IN CAPITALS

MR/MRS/MS: Surname/Family Name:
First Name:
Job Title: Department:
Organisation:
Address:
Postcode:
Telephone: Facsimile:
Email 1:
Email 2:

Please provide us with the direct email address of the delegate and an additional email address if possible. This is very important because all correspondence with delegates is by email.

Accommodation: The course fee includes 3 nights accommodation at the Christ’s College
Please indicate if you think you may need extra (nights) accommodation at the venue (Yes/No)
Please confirm whether you have received financial approval to attend? (Yes/No)
Do you require a VISA to travel to the UK? (Yes/No)

Course fee: £3,200

Payment details:

Invoice: If you select this option an invoice will be sent to you by email and by post. If you would like to provide different details to the above for the invoice please notify us when sending back the booking form.

Credit card: please charge £3,200 to my Visa Mastercard American Express
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Cardholder name: Expiry date:
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Signature: Date:

I have read and agree to the terms and conditions below.

Signature: Date:

Terms & Conditions: A refund (less 10% administration fee) will be made if notice of cancellation is received in writing six weeks before the event. We regret that no refunds can be given after this period. In addition delegates are wholly responsible for obtaining any necessary entry visas and refunds cannot be given as a result of non-attendance arising from a failure to secure such visa. A substitute delegate is always welcome at no extra charge. The programme may change due to unforeseen circumstances, and Incisive Media reserves the right to alter the venue and/or speakers. Incisive Media accepts no responsibility for any loss or damage to property belonging to, nor for any personal injury incurred by, attendees at our conferences, whether within the conference venue or otherwise. Data protection: by registering for a Central Banking training course you will receive further information relating to this event. In addition we will send you information about our other relevant products and services which we believe will be of interest to you. If you do not wish to receive other relevant information from Incisive Media via a particular medium please tick the relevant boxes: mail phone fax email. Incisive Media will also allow carefully selected third parties to contact you about their products and services. If you do not wish to receive information from third parties via any of the following media please tick the relevant boxes: mail phone fax email. I have read and agree to the terms and conditions below.

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