

Certified Financial Supervisor (CFS) EFFECTIVE SUPERVISION PROGRAM

**APRIL 8-
12, 2024**

*Virtual edition
[via Zoom]*

Program Agenda



CFS – EFFECTIVE SUPERVISION

April 8-12, 2024

Virtual Edition, Toronto Time (EDT)

PROGRAM OVERVIEW

More intense and effective supervision remains a core element on the supervisory agenda. It allows supervisory authorities to promote good practices and identify and address risks before they become serious problems at financial institutions. The safety and soundness of financial institutions and high standards of retail and wholesale conduct depend on good supervision. The bank failures of March 2023 showed that there was room for improvement in supervisory practices in many areas.

This cross-sectoral program examines risk monitoring, stress testing, and business model analysis. It also focuses on supervisory approaches, techniques, tools, and (use of) corrective and sanctioning powers, and the need to address unclear mandates, inadequate powers, and lack of independence and resources.

TOPICS COVERED

- Mandates/Resources/Independence/Ability and Willingness to Act
- Increased understanding of business models
- Stress testing
- On-site supervision
- Supervisory intervention
- Development and governance of supervisory process

WHO SHOULD ATTEND?

The program is designed for mid- to senior-level staff and managers with responsibilities in supervision of the banking, securities, insurance or pensions sectors, or for managing financial stability and financial surveillance.

This program is a **Level 2 mandatory module** for participants pursuing our Certified Financial Supervisor (CFS) certification who have **successfully completed the Level 1 core modules**. It is also open to participants who are **not pursuing the CFS certification**. An examination will be administered during the program for all participants.

Participants should have **at least three years of working experience** in supervision, analysis or policy, and be proficient in English.

VIRTUAL NETWORKING SESSION

Participants are expected to join an icebreaker session on **Thursday, April 4, 2024**. This will be a good opportunity for participants to meet virtually and to network with their international peers.

REQUIRED PRE-READING

Pre-reading will be required. Materials will be sent out to registered participants at least **two weeks before** the program starts.

CFS – EFFECTIVE SUPERVISION

THURSDAY APRIL 4

Virtual Edition, Toronto Time (EDT)

VIRTUAL PROGRAM NETWORKING AND ORIENTATION

05:45 Registrations

Participants dial into the system.

06:00 Welcome, CFS program Structure and Program Overview

Demet Canakci, Senior Program Director, Toronto Centre

06:30 Fun time: Ice-breaker group activity

Neha Sharma, Demet Canakci

- Participants will be allocated in groups (random grouping).
- As a group, participants are expected to come up with a creative “Team Name”, and select a spokesperson to represent their groups in the plenary session.
- As a group, participants will prepare a document that lists two or three expectations from this program and the total years of experience in their groups.
- Each group member will be introduced by their spokespersons in the plenary session along with the document they prepared.

07:30 Orientation to virtual program and TC programs Platform (TCPP)

Neha Sharma, Program Coordinator, Toronto Centre

08:00 Live Demo on Quizzes and exam (on TCPP)

Ashley Thompson, Project Coordinator, Toronto Centre

08:30 -----End of the networking and orientation day-----

MONDAY, APRIL 8

Virtual Edition, Toronto Time (EDT)

06:00 Welcome and opening remarks.

Babak Abbaszadeh, President and CEO, Toronto Centre

06:10 Group Photograph

06:15 SESSION 1:

Constraints on effective supervision

Karen Badgerow, Program Leader, Toronto Centre

- Importance of supervision, not just regulation
 - lessons from the FSB work on supervisory intensity and effectiveness
- Essential prerequisites for good supervision
- Core principles 1 and 2 (supervisory powers, responsibilities, resources, legal protection etc.)
- Shortcomings against core principles
- The importance of risk based supervision

07:15 Coffee Break

07:30 SESSION 2

Ability and willingness to act

Karen Badgerow

- Types and causes of inaction
- Information gaps and data quality
- Supervisory practices and culture
- Political pressure and inadequate policy support
- The ever-growing multiplicity of objectives and potential conflicts

08:30 CASE STUDY

10:00 Coffee Break

10:15: Q&A

10:45 Daily evaluations

11:00 -----End of day 1-----

TUESDAY, APRIL 10

Virtual Edition, Toronto Time (EDT)

06:00 Ideas I Will Use

Participants to share their takeaways from the previous day.

Demet Canakci, Senior Program Director, Toronto Centre

06:15 SESSION 3:

Some past supervisory failures

Clive Briault, Banking Advisory Board Chair and Program Leader, Toronto Centre

- Global financial crisis
- Specific examples of failing financial institutions

07:15 Coffee Break

07:30 SESSION 4:

Supervision and the financial crisis: lessons learned

Clive Briault

- Key lessons learned
- Generally, and from specific examples
- Bank failures in March 2023

08:30 CASE STUDY

10:00 Coffee Break

10:15: Q&A

10:45 Daily evaluations

11:00 -----End of day 2-----

WEDNESDAY, APRIL 10
Virtual Edition, Toronto Time (EDT)

06:00 Ideas I Will Use

Participants to share their takeaways from the previous day.
Demet Canakci

06:15 SESSION 5:

Business model analysis

Clive Briault

- Importance of business model analysis
- What is business model analysis?
- How to undertake business model analysis
- Using the results

07:15 Coffee Break

07:30 SESSION 6:

Stress testing

Clive Briault

- Why, what and how to stress test
- Using the results

08:30 CASE STUDY

10:00 Coffee Break

10:15 Q&A

10:45 Daily evaluations

11:00 -----End of day 3-----

THURSDAY, APRIL 11

Virtual Edition, Toronto Time (EDT)

06:00 Ideas I Will Use

Participants to share their takeaways from the previous day.
Demet Canakci

06:15 SESSION 7:

Effective off-site and on-site supervision and intervention

Karen Badgerow

- Supervisory planning/framework
- Off-site and on-site supervision
- Use of technology -suptech considerations
- Forward looking approach
- Supervisory intervention

07:15 Coffee Break

07:30 SESSION 8:

Supervisory structures and processes

Karen Badgerow

- Proper governance structure/leadership within supervisory authorities
 - Supporting infrastructure for decision making
- Clearly defined strategy and processes
- Measurement of supervisory effectiveness
- Coordination with other authorities (including cross border)
- Capacity building and leadership

08:30 CASE STUDY

10:00 Coffee Break

10:15 Q&A

10:45 Daily evaluations

11:00 -----End of day 4-----

FRIDAY, APRIL 12

Virtual Edition, Toronto Time (EDT)

06:00 Ideas I Will Use

Participants to share their takeaways from the previous day.

Demet Canakci

06:15 SESSION 9:

Examination (Part 1)

07:45 Coffee Break

08:00 SESSION 9 (cont'd):

Examination (Part 2)

09:30 Final Evaluation and Closing Ceremony

10:00 -----End of the program-----